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Colonel Is at Center Of U.S.-Israel Fight

Senior Posting for Officer Indicted In Pollard Spying Case Risks a Split

By Glenn Frankel Washington Post Service JERUSALEM — A new storm in U.S.-Israeli relations is brewing over the fate of Colonel Aviem Sella, a prominent Israeli Air Force officer and the man who allegedly recruited Jonathan Jay Pollard to spy on the United States.



CLASH IN MADRID — Police charged a group of demonstrating medical students Wednesday in Madrid. The student protesters contend that, under new education laws, only a fraction of them will be able to choose their medical specialty after graduation. Thousands of students marched in Saragossa, in northern Spain.

U.S. Missile Plan Is Said to Limit Soviet Warheads To 100 in Siberia

By Thomas Nerter International Herald Tribune

GENEVA — The United States presented Wednesday a counterproposal on medium-range missiles in Europe that a report said would require the Soviet Union to station the 100 warheads allowed under the plan out of range of most of Western Europe and Japan.

Gorbachev Faults Legacy Of Stalinism

MOSCOW — Mikhail S. Gorbachev was quoted Wednesday as saying that he was fighting the legacy of the country's Stalinist past and tendencies toward creation of a cult around his own personality.

In Britain, Signs of Recovery Are Growing

Thatcher Primes Economic Pump for Coming Elections Has Italy Passed Britain as No. 5? Craxi Thinks So

By Warren Greder International Herald Tribune LONDON — The British economy, long the laggard in Western Europe, appears to have turned a crucial corner with the aid of generous pump-priming measures by the government of Prime Minister Margaret Thatcher.

LATE NEWS

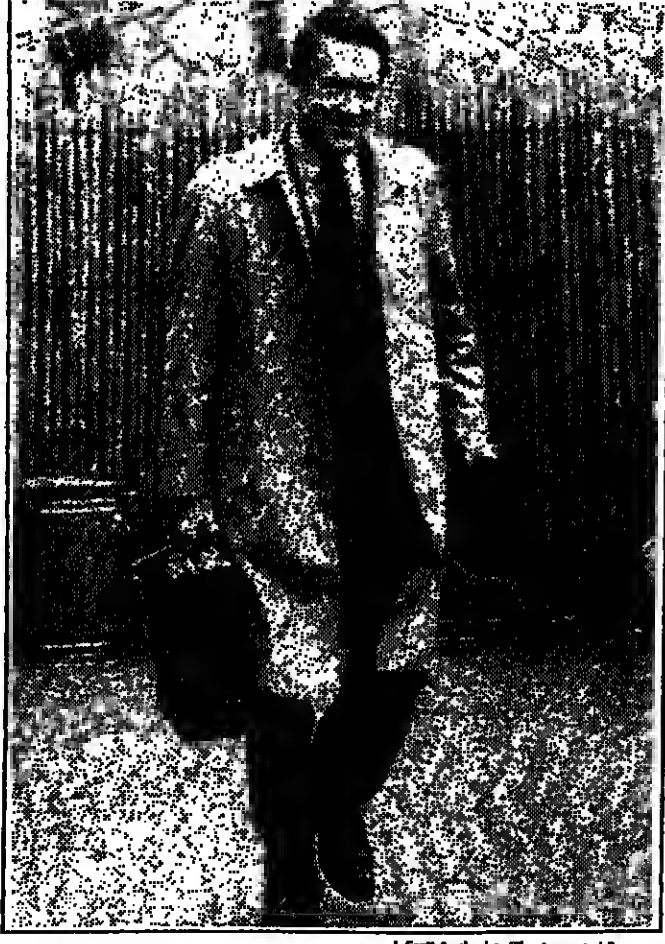
Chip Makers Join U.S. Group

WASHINGTON (UPI) — The largest U.S. makers of computer chips announced plans Wednesday to create a joint manufacturing and research company aimed at improving the competitiveness of the U.S. semiconductor industry.

In Reagan's CIA Choice, A Chance to End a Feud

By Fox Butterfield New York Times Service

WASHINGTON — President Ronald Reagan has named William H. Webster, the director of the Federal Bureau of Investigation, as his nominee to head the Central Intelligence Agency, an appointment that experts said could end a long period of feuding between the two agencies and improve the gov-



William H. Webster on his way Wednesday to FBI offices in Washington from his home in Bethesda, Maryland.

Russians May Publish 2 Solzhenitsyn Works

The newspaper quoted Sergei Zalygin, editor of the Soviet literary magazine Novy Mir, as confirming that "Cancer Ward" would be published soon in the magazine.

The newspaper said another major Solzhenitsyn work, "The Gulag Archipelago," would be published soon. "Cancer Ward" portrays the society within a Soviet hospital; "The Gulag Archipelago" documents the brutality and methods of the Soviet system from 1918 to 1956.

GENERAL NEWS

INSIDE TODAY

- An Israeli lawyer is defending himself as well as his client, an accused Nazi. Page 2.
■ A conservative U.S. Supreme Court justice sided with liberals in a police ruling. Page 3.
■ A new unity among Latin American rebel movements is seen by U.S. military commanders in the region. Page 6.
■ AIDS virus shows greater complexity, risk increases yearly after infection. Page 7.
■ Governor Bill Clements of Texas said he and other SMU board members in 1985 continued illicit payments to football players. Page 17.
■ U.S. factory orders fell 4.0 percent, the largest drop in almost seven years. Page 11.
■ Oil prices rose sharply as signs emerged that Saudi Arabia was determined to defend the OPEC target. Page 11.

Zaireans Angered by Belgium's Mandatory AIDS Tests for Foreign Students

By Peter Maass International Herald Tribune BRUSSELS — "Why us?" At the Maison Africaine, a dormitory in the heart of the Zairean quarter of Brussels, talk centers around a government crackdown on African students suspected of

Blood Tests for Travelers Opposed by WHO as Ineffective and Wasteful

GENEVA — The World Health Organization said Wednesday that blood tests for international travelers, including tourists and businessmen, would have little effect in combating the spread of AIDS and could be counterproductive.

U.S. health officials prefer voluntary testing. Page 4.

carrying the AIDS virus. The question echoing through the hallways, mixing with the sounds of African music, is direct: "Why us?"

"Why not also the Americans and the British and the French?" says a Zairean student, sitting in a basement reading room. "They carry AIDS too!"

A medical panel concluded that such screening could divert funds from educational programs that it regarded as more effective in fighting AIDS, or acquired immune deficiency syndrome.

Some countries, notably Britain, have considered screening incoming travelers, especially if they arrive from areas where AIDS is believed to be widespread.

The WHO panel concluded that "at great cost, screening of international travelers would retard only briefly" the spread of the disease.

The report, which followed a two-day meeting at WHO's headquarters in Geneva, was issued during a period of increasing steps to counter AIDS. The disease, which is spread by sexual activity or transfers of blood, kills by dismantling the body's defense mechanisms.

The health organization has now reported about 40,000 confirmed cases of AIDS, although the number of people carrying the

virus is believed to be vastly higher. The panel raised the issue of "logistical, epidemiological, economic, legal, political and ethical problems" that could arise from a program to screen incoming travelers.

Further, the panel noted that because there is a delay before an infected person develops the virus, tests would not be a foolproof means of detecting AIDS carriers.

for someone to blame for AIDS, and it's the Africans."

"We shouldn't be humiliated like this, looked on as animals, isolated from society," said one of the students. "If the government wants to solve the problem of AIDS, it should test everyone. Why target just one small population?"

The students and other Zaireans interviewed said that the measures regarding acquired immune deficiency syndrome stem from — and reinforce — a tide of European racism against Arabs and Africans.

The Belgian measures, aimed at Africans, pose the kind of medical, ethical and political quandaries that many governments face as public fears grow over the disease.

Pressed for action, some politicians

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See CIA, Page 6

See SOVIET, Page 6

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See AIDS, Page 6







# Scalia Joins Liberals In Supreme Court Ruling on Police

By Al Kamen

WASHINGTON — Justice Antonin Scalia has surprised observers and drawn criticism from his conservative colleagues on the Supreme Court by joining with liberals and writing a decision that restricts police power to conduct searches.

In the 6-3 ruling on Tuesday, Chief Justice William H. Rehnquist and Justice Sandra Day O'Connor attacked him for erecting "serious roadblocks to reasonable law enforcement practices." The two justices, like Justice Scalia, were appointed by President Ronald Reagan.

Justice Scalia lectured them on the meaning of strict interpretation of the U.S. Constitution.

The case, *Arizona v. Hicks*, began in April 1984, when a bullet was fired through the floor of the apartment of James T. Hicks in Phoenix, Arizona. It injured a man in the apartment below.

The police entered the Hicks apartment to search for the person who fired the gun, other possible victims and weapons. They found three weapons, including a sawed-off rifle, and a stocking-cap mask.

One police officer, however, noticed expensive stereo components in what Justice Scalia described as an "otherwise ill-appointed" apartment.

The officer suspected that the equipment was stolen and lifted a record turntable to check the serial numbers on the bottom. After discovering the equipment was stolen in a robbery and kidnapping, he obtained a warrant and found other items. The evidence was used to indict Mr. Hicks for armed robbery and kidnapping.

For years the Supreme Court has been making exceptions to the "exclusionary rule," which forbids prosecutors to use improperly seized evidence. It has said that items "in plain view" may be seized if the police, without a warrant, have a valid reason to be in a home because of "exigent circumstances," such as pursuit of a suspect.

Prosecutors argued in this case that the stereo and other components were in plain view, but Justice Scalia disagreed. The moving of the equipment by the officer, he

said, was a separate search "apart from the search for the shooter, victims and weapons that was the lawful objective of his entry into the apartment."

"A search is a search," Justice Scalia said, "even if it happens to disclose nothing but the bottom of a turntable."

He said there is "nothing new in the realization that the Constitution sometimes insulates the criminality of a few in order to protect the privacy of us all."

The Reagan administration has strongly attacked the use of the exclusionary rule. It has urged courts to give the police greater discretion in determining what is permissible under the Fourth Amendment prohibition against "unreasonable searches" and its requirement that the police have "probable cause" to search.

In the case Tuesday, prosecutors also asked the court to adopt a standard less rigid than "probable cause" to govern these circumstances. They conceded that the officer did not have probable cause to seize the equipment, but they said that he had a "reasonable suspicion" that the goods were stolen and that this was enough under the circumstances.

"We now hold that probable cause is required," Justice Scalia said. Justice O'Connor's dissent, he said, suggested that "we uphold the action here on the ground that it was a cursory inspection rather than a 'full-blown search' and could therefore be justified by reasonable suspicion instead of probable cause."

"We are unwilling to send police and judges into a new thicket of Fourth Amendment law, to seek a creature of uncertain description that is neither a plain-view inspection nor yet a 'full-blown search,'" Justice Scalia said.

Justice O'Connor, joined by Justice Rehnquist and Justice Lewis F. Powell Jr., said the court majority "has taken a step that ignores a substantial body of precedent and that places serious roadblocks to reasonable law enforcement."

"The theoretical advantages of the 'search is a search' approach adopted by the court today," she said, "are simply too remote to justify the tangible and severe damage it inflicts on legitimate and effective law enforcement."

# Muskie Suspects Iranian Officials Of Taking Bribes

The Associated Press

WASHINGTON — Edmund S. Muskie, a member of the Tower commission, said Wednesday that he suspected that some of the profits from covert arms sales to Iran were paid as bribes to Iranian officials. But he said he had no proof.

The former secretary of state was quoted by the San Francisco Examiner as saying that an Iranian arms dealer, Manucher Ghorbanifar, who served as a middleman in the dealings, had told the commission "there were expenses that accompanied this. He treated it as an expense of doing business."

"That was the euphemism," Mr. Muskie said. "It was my impression he wanted to communicate that to us."

The newspaper said that other sources had confirmed that there were bribes and that the bribed officials included Hashemi Rafsanjani, speaker of the Majlis, Iran's parliament.

A Senate intelligence committee source was quoted by the newspaper as saying that there were \$6 million in bribes from the summer of 1985 to the spring of 1986.

# A Watchdog Asleep: The Press in the Iran Affair

By Robert Pear

New York Times Service

WASHINGTON — It is now clear that dozens of people — officials at the White House, the State Department, the Defense Department and the Central Intelligence Agency, as well as private arms dealers, businessmen and financiers in Israel and other countries — knew early on about the delivery of U.S. arms to Iran that began in August 1985.

Similarly, a network of pilots and retired military officers knew that the covert U.S. efforts to aid the rebels fighting the government of Nicaragua were far more extensive than the White House acknowledged.

But, even with all these people in the story that would shake the Reagan presidency, American news organizations were not in the know.

With just a few exceptions, little noticed, the seeds of the scandal did not take root on the nation's front pages and news broadcasts until after a Lebanese magazine, *al-Shiraa*, reported Nov. 3 that the United States had been supplying arms to the Tehran regime.

And it was another three weeks before the press relayed the news, disclosed Nov. 25 by Attorney General Edwin Meese 3d, that some of the profits from the arms sales had been diverted to the Nicaraguan rebels in an operation supervised by Lieutenant Colonel Oliver L. North, a member of the staff of the National Security Council.

"The press was lax in this case," said Michael G. Gartner, the editor of *The Courier-Journal* in Louisville, Kentucky, who is president of the American Society of Newspaper Editors.

"The press failed," he said, "and its failure allowed the policy to continue, and the continuance of it led to this enormous scandal."

Part of this scandal must be laid at the doorstep of the press.

Jack Nelson, the Washington bureau chief of the Los Angeles Times, said he did not fully understand how the White House had been able to keep the Iran affair "secret" for so long, inasmuch as so many people knew about it.

How did it happen?

"There was an elaborate effort to keep the operation secret from the press, the Congress and various people in the administration," said Bob Woodward, who played a key role in uncovering the Watergate scandal during the Nixon administration. He is now an assistant managing editor of *The Washington Post*.

Journalists "who work in Washington and cover institutions couldn't get the story," he said. But he added, pieces of it might have been obtained from people outside Washington: various middlemen, pilots, bankers, perhaps even some of the "bellhops in the Tehran Hilton," where Robert C. McFarlane, the former national security adviser, stayed while on his mission to Iran.

Access to information about the covert activities was extremely restricted within the bureaucracy, a normal source of information for journalists in Washington. Government officials deceived one another, as well as the public.

The Tower commission report released last week disclosed that in May 1986, for instance, Vice Admiral John M. Poindexter, who was President Ronald Reagan's national security adviser at the time, instructed Colonel North not to talk to William J. Casey, then the director of central intelligence, or to anyone else about his "operational roles."

In addition, administration officials did not tell Congress about the covert activities,

precluding any disclosure by lawmakers or their aides.

Also, journalists say, Mr. Reagan's Iran initiative was so improbable that few journalists would have suspected it.

"This operation was protected partly because it seemed so preposterous," said John Walcott, the national security correspondent for *The Wall Street Journal*.

Debates among government officials often are a source of information for journalists. But Herbert E. Hetu, a spokesman for the Tower commission, said that Mr. Reagan's staff had permitted little debate on the sale of arms to Iran.

"There just wasn't any debate going on," he said. "No winners. No losers. No leaks."

However, the syndicated columnist Jack Anderson and Dale Van Atta wrote in June 1986 that the United States was "kowtowing to Khomeini" offering arms in exchange for hostages. They later reported details of a "conciliatory tilt toward Iran."

Mr. Van Atta said that he had received calls from many reporters trying to follow up on the column. But the reporters generally failed because they could not obtain confirmation from the State Department or intelligence agencies.

Robert Parry, who in the last three years disclosed details of the contra supply network as an investigative reporter for *The Associated Press*, said: "In the first six years of this administration, the press seemed to have lost its determination to hold the government to hard facts." He said that the press seemed to be "almost as entranced by President Reagan as was most of the country."

"The press let down the country by failing to serve as a watchdog," said Mr. Parry, who is now a correspondent for *Newsweek*.

Even when the first hints of the arms shipments began to emerge, American journalists were slow to pick up the story.

Mr. McFarlane visited Iran in an effort to secure the release of American hostages in May 1986. An article about his mission was carried in late October in a small Lebanese newspaper connected to the militant pro-Iranian group Hezbollah, or Party of God, according to the Tower commission.

John P. Wallace, the foreign affairs editor of the Hearst newspapers, and Nathan M. Adams, a senior editor of *Reader's Digest*, are among the few journalists who reported pieces of the story before it became widely known.

In July 1985, Mr. Wallace reported that the United States and Iran had exchanged messages expressing a desire to improve relations. On Nov. 3, 1986, he reported that the United States had been conducting "secret negotiations with Iran" for 16 months.

Mr. Adams reported in August in *Reader's Digest* that "Israel is one of Iran's most reliable sources for both arms and munitions, despite denials by the Israeli government."

The New York Times reported on Aug. 8, 1985, that the contra supply network was receiving "direct military advice from White House officials" on the staff of the National Security Council. The name of Colonel North was withheld at the request of the White House, which said that publishing the name would endanger his life.

Other news organizations and members of Congress also investigated Colonel North's activities and identified him by name.

"We knew North was a mystery figure," said Mr. Nelson of the Los Angeles Times. "We wrote stories about him, but we did not delve deep enough. We should have."



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## Review on New Caledonia Vote Urged

United Press International

AUCKLAND, New Zealand — Leaders of the South Pacific Forum said France should cancel or change the referendum on independence for New Caledonia scheduled for this summer, the forum's chairman, Sir Kamiseva Mara, said Wednesday.

Sir Kamiseva, who is the prime

minister of Fiji, said leaders who attended the conference of 13 states wanted discussions with France and with independence leaders in New Caledonia.

"If France goes ahead with its independence referendum in New Caledonia it should change it to include conditions giving the indigenous Kanak people a chance to determine their future," Sir Kamiseva said in a statement after the conference. French settlers, who are in a minority, want the territory to remain part of France.

"South Pacific Foreign Ministers are concerned that French policy is being directed toward the maintenance of New Caledonia as part of mainland France," Sir Kamiseva said.

## Vermont Socialist Re-elected

United Press International

BURLINGTON, Vermont — Bernard Sanders, the nation's only Socialist mayor, has won election to a fourth term in Burlington, Vermont's largest city. He was first elected in 1981.

## CHIEFS

### Dragon Lady

Donald T. Regan, in an outline, defended his role in the scandal.

Fancy Reagan was involved in a scandal, but it's not the scandal that's being a kind of dragon lady. It's the scandal that's being a kind of dragon lady.

### In Hong Kong

Capitalist economy of the colony in the world's largest free port.

That the so-called basic law of the colony is being drafted by the British government.

### Lighter Project

Victor Rabinovitch, a fighter pilot, is the project's director.

Government will spend \$4.4 million on the project.

### Visit Abroad

Members of the House of Representatives will visit abroad.

Members of the House of Representatives will visit abroad.

### Briefly in U.K.

Members of the House of Representatives will visit abroad.

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## La Gastronomie

The Oak Room restaurant is an elegant temple to French haute cuisine. The famous 3 star chef, Michel Lorain, from Burgundy and our chef, David Chambers, have created a menu to intrigue and delight. Upstairs our new conservatory restaurant The Terrace Garden makes a splendid meeting place where you can enjoy a drink, a snack or a gourmet meal.



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OPINION

To Go Out as a Statesman, Reagan Has to Invite Help

By James Reston

WASHINGTON — Ed Muskie summarized the critical cause of the Iran-contra scandal when he declared it a failure of responsibility. The Tower commission left no doubt that this responsibility was the president's. Ronald Reagan will undoubtedly accept that responsibility now and try to restore his credibility, but this is a time for clear thinking and plain speaking. He has lost the confidence of Congress and this will not be restored by confessing error and promising to "take charge" in his last two years. The situation is too serious for that. In fact, under a parliamentary system, Mr. Reagan would lose a vote of confidence, and America would now be facing an election.

side economics at home, or his "star wars" nuclear policy abroad, but blinded the people and intimidated Congress with the magic of his personal popularity, which he has now lost in Iran. He lost it not because he delegated his authority but because he delegated it to the wrong people, and did not keep his oath of office to see that the laws were faithfully executed. This difficulty he can still repair, although the time is short. He retains the power of appointment, which he has abused for six long years, but he seems to have learned a lesson in the recent crash.

By choosing Howard Baker of Tennessee as White House chief of staff, then withdrawing his nomination of Robert Gates as the CIA director and naming William Webster instead, he has recognized that he has no time for more unnecessary controversies with Congress. But he still has a long way to go. He could begin by putting his own house in order, since nobody elected Nancy. It would also be useful if he resolved the disputes in his own cabinet over the control of nuclear weapons; he has made a start by welcoming Mikhail Gorbachev's offer on intermediate-range missiles and instructing the Geneva negotiators to present a draft treaty in response. This will require a new approach to Congress, which must ratify whatever agreement is reached.

It is too late to keep his promise to balance the budget, but so many unimaginable things have happened recently that it still may be possible to achieve a new balance of power. This is the presiding problem of world politics and may still be within his reach.

Franklin Roosevelt faced a similar situation near the end of World War II. Mindful of the defeat of the League of Nations at the end of World War I, he brought Republican leaders into negotiations with the Senate to discuss post-war problems and establish the United Nations. By such foresight, he avoided Woodrow Wilson's tragic battles with the Senate. It was Roosevelt's final achievement before he died.

Mr. Reagan, despite all his recent troubles, might still do the same. There are many problems still to be resolved in the nuclear field, but this is not a partisan issue with the new Democratic leaders in the House and Senate. In Sam Nunn of Georgia, for example, the chairman of the Senate Armed Services Committee, the president has a knowledgeable ally in this field, and there are many others like him who would help negotiate and ratify a treaty before Mr. Reagan retires. Only the president, however, can resolve the differences within his cabinet and produce the bipartisan policy he says he wants. Senator Nunn and the others cannot help him unless they are invited.

The New York Times



LETTERS TO THE EDITOR

Singapore: Rights and Wrongs of the Press

Recent actions by the Singapore government to restrict the circulation of Time magazine and The Asian Wall Street Journal have been widely portrayed by Western media as an attack on freedom of the press. This is an erroneous impression. The Singapore government supports a free press and believes that it is an essential institution in a functioning democracy. It does not seek to control or censor the press. It does not want a press which is unquestioning, servile and sterile. In order for Singapore to progress, it must have access to information from all sources.

The facts speak for themselves: 3,700 foreign publications circulate in Singapore; 93 foreign journalists, representing 63 foreign news organizations, are based there. Besides The Asian Wall Street Journal, other newspapers and magazines which are freely available in Singapore include the International Herald Tribune, The Economist, USA Today and Newsweek. The government has also allowed the British Broadcasting Corporation to have a relay station in Singapore which rebroadcasts BBC World Service programs to listeners in Singapore and throughout the region.

issue of last Dec. 12-13, published an article on Singapore's second stock exchange which, in the government's view, contained grave accusations and errors of fact. A government representative wrote two letters to the Journal to refute the accusations. He requested publication of his letters and any rebuttals the Journal cared to make. Because of the Journal's persistent refusal, the government has restricted its circulation. We respect the right of foreign publications to publish, within the framework of our laws, anything they wish to say about Singapore. However, we believe that freedom of the press must be a two-way street. It is only fair that a party attacked by a paper be given a right of reply in a form of its choice. To deny us this right is tantamount to giving the press the right to suppress facts and views with which it disagrees. Should the press have the right to censor dissenting views? This is the question which is at issue in Singapore's disputes with Time and The Asian Wall Street Journal. Is it unreasonable to ask the foreign press to practice what it preaches?

TOMMY T.B. KOH, Ambassador of Singapore to the United States, Washington.

History, Continued

In "Learning U.S. History at the Movies" (Meanwhile, Feb. 20), James R. Dickinson stops his history lesson at the Cold War. But Watergate brought "All the President's Men," and the Vietnam War has brought "Apocalypse Now" and "Platoon." These painful years are major elements in U.S. history, too.

HERMAN MOCK, Amsterdam.

One Man's Case for the Right To Quit While You're Ahead

By Sidney Hook

STANFORD, California — A few short years ago, I lay at the point of death. A congestive heart failure was treated for diagnostic purposes by an angiogram that triggered a stroke. Violent and painful hiccups, uninterrupted for several days and nights, prevented the ingestion of food. My left side and one of my vocal cords became paralyzed. Some form of pleurisy set in, and I felt I was drowning in a sea of slime. In one of my lucid intervals during those days of agony, I asked my phys-

important discovery useful for mankind or lead a social movement or do anything historically eventful. My autobiography, which describes a record of intellectual and political experiences of some historical value, could be posthumously published. I have had my fill of joys and sorrows and am not greedy for more life.

I have always thought that a test of whether one had found happiness in one's life is whether one would be willing to relive it — whether, if it were possible, one would accept the opportunity to be born again. Having lived a full and relatively happy life, I would cheerfully accept the chance to be reborn, but certainly not to be reborn again as an infirm octogenarian.

MEANWHILE

can to discontinue all life-supporting services or show me how to do it. He refused and predicted that I would appreciate the unwisdom of my request.

A month later I left the hospital. In six months I regained the use of my limbs, and although my voice still lacks its old resonance and carrying power, I no longer creak like a frog. There remain some minor disabilities. I have resumed my writing and research.

My experience has been cited as an argument against honoring requests of stricken patients to be gently eased out of their pain and life. I cannot agree. There are two main reasons. As an octogenarian, there is a reasonable likelihood that I may suffer another "cardiovascular accident" or worse. I may not even be in a position to ask for the resumption of pain. It seems to me that I have already paid my dues to death.

Secondly, I dread imposing on my family and friends another grim round of misery similar to the one that my first attack occasioned.

My wife and children endured enough for one lifetime. I know that for them the long days and nights of waiting, the disruption of their professional duties and their own familial responsibilities counted for nothing in their anxiety for me. In their joy at my recovery, these have been forgotten. But to visit another prolonged spell of helpless suffering on them as my life ebbs away, or even worse, if I linger on into a comatose senility, seems altogether gratuitous.

But what, it may be asked, of the joy and satisfaction of living, of basking in the sunshine, listening to music, watching grandchildren grow into adolescence, following the news about the fate of freedom in a troubled world, playing with ideas, writing one's testament of wisdom and folly for posterity? Is not all that one endured, together with the risk of its recurrence, an acceptable price for the many satisfactions still open even to a person of advanced years?

Apparently those who cling to life no matter what think so. I do not. The zest and intensity of these experiences are no longer what they used to be. I am out vain enough to think that I can in the few remaining years make an

To some extent, my views reflect what I have seen happen to the aged and stricken who have been so unfortunate as to survive crippling paralysis. They suffer, and impose suffering on others, unable even to make a request that their torment be ended.

I am mindful, too, of the burdens placed upon the community, with its rapidly diminishing resources, to provide the adequate and costly services necessary to sustain the lives of those whose days and nights are spent on mattress graves of pain. A better use could be made of these resources to increase the opportunities and qualities of life for the young. I am not denying the moral obligation the community has to look after its disabled and aged. There are times, however, when an individual may find it pointless to insist on the fulfillment of a legal and moral right.

What is required is no great revolution in morals but an enlargement of imagination and an intelligent evaluation of alternative uses of resources.

Long ago, Seneca observed that "the wise man will live as long as he ought, not as long as he can." One can envisage hypothetical circumstances in which one has a duty to prolong one's life despite its costs, for the sake of others, but such circumstances are far removed from the ordinary prospects we are considering.

If wisdom is rooted in knowledge of the alternatives of choice, it must be reliably informed of the state one is in and its likely outcome. Scientific medicine is not infallible, but it is the best we have. Should a rational person be willing to endure acute suffering merely on the chance that a miraculous cure might presently be at hand? Each should be permitted to make his own choice, especially when no one else is harmed by it. The responsibility for the decision, whether deemed wise or foolish, must be with the chooser.

The writer, emeritus professor of philosophy at New York University, is senior research fellow at the Hoover Institution on War, Revolution and Peace. He contributed this comment to The New York Times.

Let Him Be Reagan

WASHINGTON has been seized with the notion that Ronald Reagan should suddenly become a hands-on president. That is a terrifying prospect. Fortunately, nothing is likely to come of it. If Mr. Reagan were capable of managing even his own household, Don Regan would still be chief of staff.

GENERAL NEWS

Living Abroad Cultural Differences Sway Choice of a Therapist

By Sherry Buchanan International Herald Tribune LONDON — Expatriates cannot leave anxiety, depression and other emotional problems back to their native countries, and some may find that the stress of living in a foreign culture magnifies problems. Where counselors and therapists are available to help, a major question is whether their nationality corresponds to the patient's.

Internationally trained therapists say they can develop a better relationship with a patient if they understand the patient's cultural context. Agreeing with this, many people who have sought help in a foreign country say that having a therapist from another culture can be an added benefit.

"The guideline in choosing a therapist is who do you imagine understands what your problem is about," said Marie Anne Brun, an American clinical psychologist and psychotherapist who was trained in Paris and has lived there for 18 years.

A popular therapist's position is given by Sudhar Kakar, an Indian psychoanalyst who was trained in West Germany, has taught at Harvard University and practices in New Delhi. "In therapy, it is essential to understand the person's culture," he said. "The ability to understand the messages given by the patient is essential."

In his private practice, Mr. Kakar treats Indians, West Germans and Americans. But he said, he treats Americans "with much less comfort" because he believes he has spent too little time in the United States to understand its culture fully.

A similar view is furnished by Manfred Kets de Vries, a Dutch psychoanalyst and professor of organizational behavior at the European School of Business Administration in Fontainebleau, France, the leading European business school.

Living Abroad

Cultural Differences Sway Choice of a Therapist

Americans in distress, will pay for a limited number of sessions with the International Counseling Services in a crisis situation. U.S. embassies and consulates often can provide a list of English-speaking or American therapists.

"If you're away from home, to be able to speak to someone in your own language is a great comfort," said Meg Fassam, the British administrator of the Community Help Center, who has been in Brussels for four years.

"There is an easier identification and understanding between the therapist and the patient if they are of the same nationality or culture," agreed David Saffier, an American psychoanalyst who was trained in France at Université de Paris VII. "But you also have to maintain an objectivity which may be easier when you are not familiar with that person's culture."

A study among British patients seeing American therapists has been completed by Dr. Morton Shatzman, an American psychiatrist who has been practicing in London for 20 years. The study showed that, for some, the difference in nationality had a bad effect on the relationship between patient and therapist, while for others it had a positive effect.

"Seeing an American therapist meant to me freedom," said a British patient, "as I'd felt myself to be a constricted and constrained person. There was more chance of contact between two people without a whole lot of concepts of where we'd come from in our backgrounds, without preconceived notions of behavior."

"That we had less knowledge about each other could have been construed as a drawback or difficulty, but I feel that it was a good thing."

To others, what mainly matters is getting the right treatment at the right time.

"Frankly I was so out of it I wouldn't have cared what nationality you were," one of Dr. Shatzman's British patients told him.

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# Unity Seen Among Latin America Rebels

By Richard Halloran  
New York Times Service

## QUARRY HEIGHTS, Panama

Military staff officers at the headquarters here for U.S. forces in Latin America say leftist insurgent groups in the region have begun to cooperate in guerrilla operations.

In addition, the officers said, they have seen evidence that insurgents in Colombia, who are already extorting protection money from drug traffickers, have gone into the drug business themselves to help finance paramilitary and terrorist operations.

The officers also expressed concern that leftist groups in Honduras, prodded by the Sandinist government in Nicaragua, would mount isolated attacks on U.S. troops deployed there for training. In one case, they said, American officers discovered a Honduran mapping a U.S. military installation.

The U.S. officers declined to be specific about the sources and methods by which they had come by their evidence. The U.S. commander in Panama, General John R. Galvin, said in an interview recently that "we are seeing a unity among insurgent groups."

He pointed to a group in Colombia known as M-19, or the April 19 Movement, as the hard core around which other groups have gathered.

General Galvin said he was particularly bothered that "these guys are getting resourcing and organizing from outside." He said he meant money and advice from Nicaragua and Cuba.

The American officers said the Shining Path, or Sendero Luminoso, organization in Peru was the only Latin American leftist insurgent group that accepts no outside assistance. It finances itself by robbing banks and committing other criminal acts.

The staff officers said their latest assessment showed 27 leftist insurgent groups with 25,000 members operating in nine Latin American countries. These groups do not include the anti-Sandinist insurgents known as contras, who are backed by the United States. Their strength has been estimated at 6,000 to 20,000.

In Colombia, where the insurgent movement is among the most active in South America, the officers said an international coordinating committee appeared to have been organized in November 1985, to pool information and to intensify the battle against governments.

M-19, which had a considerable following in the early 1980s, has lost many leaders as well as much popular sympathy, Colombian officials say. They assert that it has become a terrorist organization

and more involved with drug traffickers.

The groups represented on the coordinating committee, in addition to M-19, were said to include the Farabundo Martí National Liberation Front, the umbrella organization for five insurgent groups fighting in El Salvador; Alfaro Vive Ecuador; the Tupac Amaru Revolutionary Movement of Peru; the Red Banner, or Bandera Roja, of Venezuela, and perhaps two other groups.

Colombian officials say the coordinating committee also includes representatives from the pro-Cuban National Liberation Army, the pro-Albanian Popular Liberation Army and Quintin Lame, an Indian rebel group.

The Venezuelan group, the staff officers said, was an example of coordination among the insurgents. It is a band of 100 that has been revived with the help of M-19.

Operating along the border with Colombia, the Venezuelan group was said to have extorted money from oil companies in that region.

In late 1985, as part of its effort to recoup lost strength, M-19 helped form in Colombia the Battalion America, a little-known group that has recruited from the Sandinists and from El Salvador, Panama, Ecuador, Peru, Bolivia and Colombia itself. Although the

battalion has proclaimed its existence, the officers said, so far it has mounted no significant operations.

In Honduras, four small leftist groups have a membership estimated at 600, the officers said. Those groups are concentrated in areas where United States troops are deployed, in particular along the northern coast, where American airplanes sometimes use the airfield at La Ceiba, and around the town of Yoro, where a U.S. Army engineer battalion is building a road.

Last year, the officers said, the Honduran authorities captured two groups of Honduran guerrillas that had been sent to Nicaragua and from there to Cuba for training.

One group had 90 members and another had 30. Both were captured as they crossed the border from Nicaragua.

Honduran insurgents also were said to be in Tegucigalpa, the capital, and other cities, including Comayagua, near the main American military base at the Palmerola airfield.

Three or four American military aircraft fly in and out every day, while several dozen helicopters and fixed-wing planes operate from there.

Officers in Panama said they doubted that the Honduran insurgents had the ability to attack an armed U.S. unit to the field. But attacks against individual Americans away from their units probably could not be prevented, they said.

Confronted with the threat of such attacks, the officers said, U.S. counterintelligence agents are increasingly working with Honduran security forces to scrutinize areas into which United States forces would be deployed on training exercises, and no such attacks have been carried out.

Recently, the officers said, the Sandinists have been encouraging their Honduran allies to go after Americans to undermine the position of the United States in Honduras.

Another concern, the officers said, was the possibility that Salvadoran insurgents driven across the Honduran border by government forces might clash with Honduran forces and stir up trouble against Americans in Honduras.

The officers in Panama have reduced their estimate of the number of insurgents active in El Salvador to about 8,000 today from 11,000 in 1982. Sources in El Salvador said the number of remaining insurgents was less than 5,000.

Elsewhere, the officers said, four subversive groups in Guatemala have 2,000 members, three mostly passive groups in Costa Rica have 900 members and two groups in Chile have about 700 members.



Maynard G. Giffman, the chief U.S. negotiator, greeting Lem Masterkov, his Soviet counterpart, during talks in Geneva on the U.S. proposal on medium-range missiles.

# ARMS: U.S. Plan Seeks Strict Warhead Verification

(Continued from Page 1)

An agreement on limiting the remaining Soviet missiles to the eastern Soviet Union may hinge on a compromise regarding the deployment of the 100 U.S. warheads.

Under the proposal presented in Iceland, the United States wanted to deploy its contingent on its territory, including Alaska, which would put them within striking distance of the Soviet Union.

Mr. Giffman said he believed the other key area of divergence with the Soviet position would be verification. The U.S. draft is expected to include provisions for on-site inspection and at medium-range missile plants.

The Los Angeles Times dispatch said that some of the verification provisions were so tough that some NATO countries had balked at approving them.

Mr. Reagan's plan called for the elimination of Soviet SS-20 and U.S. Cruise and Pershing-2 rockets from Europe, and a reduction of medium-range warheads to 100 on each side, to be based on each country's territory. The U.S. missiles carry one warhead, while Soviet SS-20s carry three.

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# Mozambique Leader Bars Cease-Fire

Reuters

HARARE, Zimbabwe — President Joaquim Chissano of Mozambique has ruled out peace talks or power-sharing with rightist rebels trying to overthrow his Socialist government.

In his first public rejection of any truce with the rebels since he assumed power in November 1986, Mr. Chissano said Tuesday night at a mass rally here:

"We won't share power with them. We say no, no because we don't want to share power with apartheid."

Speaking of the rebels, he added:

"These bands are a product of colonialism and South Africa."

Mr. Chissano arrived in Zimbabwe on Monday for a four-day visit, his first since he became president after succeeding Samora Machel. Mr. Machel was killed to a plane crash.

Mozambique's economy has been crippled by an insurgency conducted since independence in 1975 by the Mozambican National Resistance. Mozambique has accused South Africa of aiding the rebels despite a peace agreement signed by the two nations in 1984. South Africa says its support for

the rebels, who are demanding general elections and a share of power, is only "technical" and aimed at bringing the two sides to the negotiating table.

Describing the insurgents as criminals, Mr. Chissano vowed to crush them. As the crowd of 40,000 cheered, he said: "You have given us confidence. We shall win, we shall overcome."

Since 1982, Zimbabwe has deployed at least 12,000 troops in Mozambique. They are helping to guard the oil pipeline that runs from Mutema, in Zimbabwe, to Beira, in Mozambique, from sabotage by the rebels.

Mozambique says that tens of thousands of its citizens have been killed by the rebels and that the insurgents have forced hundreds of thousands to flee the country.

Nearly four million Mozambicans, about a third of the population, are faced with starvation after rebels forced them from their homes, government officials say.

An international relief effort is under way to help avert a famine. Mozambique has experienced a prolonged drought and has been hit by cyclones in recent years.

# Aquino's Amnesty Offer Hypocritical, Rebels Say

United Press International

MANILA — Communist guerrillas accused President Corason C. Aquino on Wednesday of "demagoguery and hypocrisy," contending that the call for peace only to enhance her popularity.

It was the first time that the New People's Army insurgency had questioned Mrs. Aquino's personal integrity. Previously, criticism was aimed at the military and at the United States.

The rebels have rejected an offer made Saturday by Mrs. Aquino, promising amnesty, cash and job training to insurgents who laid down their weapons within six months. The Communists called the proposal a "sheer farce."

The criticism on Wednesday, which came as the rebels stepped up attacks in the countryside, seemed to further close the door on the resumption of peace talks.

"While Mrs. Aquino has been trying to enhance her popularity by

presching peace and reconciliation, she has been abetting the entry here of CIA agents and imperialism's mercenaries," said a statement issued by the New People's Army, whose strength is estimated at 24,000.

The guerrillas said that Mrs. Aquino's "demagoguery and hypocrisy" had been revealed since the expiration on Feb. 8 of a 60-day cease-fire.

A military spokesman reported that 18 persons were killed Tuesday in fighting around the country, half in a battle on the island of Negros between local militiamen and heavily armed rebels.

Enrile Said Ready to Run  
Former Defense Minister Juan Ponce Enrile will join a united opposition ticket, including former supporters of Mrs. Aquino, to Senate elections on May 11, Agence France-Press, quoting an unidentified source, reported Wednesday.

# SOVIET: Stalinism Assailed

(Continued from Page 1)

there has so far been no official reassessment by the party.

Mr. Fava also said that Mr. Gorbachev was eager to make a visit to Latin America and that the Soviet leader had indicated that such a tour would be extremely important.

Latin American diplomats in Moscow said the tour was likely to take place toward the end of 1987. They said that Mr. Gorbachev would visit Cuba, Brazil, Uruguay, Mexico and Argentina. There was also a possibility that Peru would be included, they said.

Mr. Fava said that he had told Mr. Gorbachev that Latin American Communists believed that the visit would be of "tremendous significance for the national liberation struggle" of the peoples of the continent.

Meanwhile, a Soviet historian called Wednesday for the rehabilitation of leading Bolshevik revolutionaries who were executed under Stalin and whose names have long been erased from official accounts of Soviet history.

Isaak I. Mintz, 90, who who took part in the 1917 Bolshevik revolution, said that Soviet historians had wrongly suppressed many important facts about the early history of the Soviet state.

"The names of many revolutionaries and fighters for the Soviet government, especially those who were purged in 1937-38, were forgotten," Mr. Mintz said in an interview with the official news agency Tass, "despite the fact that there were people among them who made notable contributions to the revolution."

Mr. Mintz did not mention names, but Stalin's most prominent victims in 1937 and 1938 included Nikolai I. Bukharin, Alexei I. Rykov and Grigori I. Pyatkov, who were executed after being forced to confess to crimes at show trials.

# SPY: Colonel at Center of New Split

(Continued from Page 1)

ry out espionage activities against the United States.

Israeli sources said Mr. Rabio had decided to give Colonel Sella the new posting while denying him a promotion to brigadier general.

The compromise apparently has satisfied no one. U.S. officials said they believed the new assignment indicated that Israel had renegeed on its 1985 pledge and was further evidence that the Pollard ring was not a "rogue operation," as Israeli officials have characterized it, but rather had official sanction, as Mr. Pollard has said.

Israeli defense officials contend that Washington is attempting to interfere in internal Israeli affairs by seeking to dictate Colonel Sel-

la's future. A former Israeli Air Force commander, Major General Benny Peled, was quoted Monday as saying he would have resigned rather than accept a U.S. ultimatum on Colonel Sella.

"We have different norms in Israel — we don't hire and fire from the hip the way you do in the United States," said a senior official, who asked not to be identified.

Colonel Sella's involvement in the Pollard affair has puzzled some who know him in Jerusalem. He won prominence for his part in the 1981 raid on an Iraqi nuclear reactor and for his role in planning and executing the destruction of Syria's ground-to-air missile defense system during Israel's 1982 invasion of Lebanon. He was considered a sure bet to become commander of the air force.

absolute integrity. Within the bureau he is described as stern and uncompromising in the appraisal of his staff.

"I came here because I thought this institution was too important to lose," Mr. Webster said of the FBI in an interview last year. "I was determined to see the institution viewed again as it had been in the past."

Under him, the FBI has expanded while dramatically shifting the focus of its investigations. Where they once dwelled on bank robberies and car thefts, its agents are now more likely to focus on white-collar crime, corruption by public officials and espionage. The recent efforts of the FBI and the Justice Department against organized crime are viewed as historic.

For the first time in its history, Mr. Webster brought the FBI into drug investigations, an area that his predecessor, Mr. Hoover, largely ignored.

# CIA: Webster Is Nominated by Reagan 'as a Man of Honor' to Head Agency

(Continued from Page 1)

ests and it has had to depend on the FBI to protect these interests," the senator said, adding, "In the past decade the FBI has failed ominously in counterintelligence."

G. Robert Blakey, a professor of law at the University of Notre Dame, said the FBI and the CIA had "an arm's-length relationship" when J. Edgar Hoover was director of the bureau.

At that time, he said, the two agencies "didn't trust each other and sometimes didn't talk to each other."

Under the law, Mr. Blakey said, the bureau is supposed to cooperate on law enforcement in the United States while the agency works overseas. But he noted that investigations led by Senator Frank Church of Idaho, who was chairman of the Senate Select Committee on Intelligence in the 1970s, showed that the CIA had engaged in operations in the United States, including investigations of the anti-war movement.

Mr. Blakey said that since 1978, when Mr. Webster became director of the FBI, the bureau and the agency "have cooperated more than they ever did before" on such subjects as foreign counterintelligence, terrorism and narcotics trafficking.

Jerry J. Berman, chief legislative counsel of the American Civil Liberties Union, said the selection of Mr. Webster to head the CIA was "a logical choice for an administration that is trying to dig itself out of a well-founded perception that it has broken the law in carrying out foreign policy."

"The FBI and the CIA have a similar mission," Mr. Berman said, "namely, to collect intelligence, the FBI in the United States and the CIA abroad."

He added: "The difference is that the CIA engages in covert operations to influence events overseas. The FBI has undercover in-

vestigations but has not engaged in covert activities to undermine dissent in this country since Webster became director."

Ended Turmoil in New York  
Philip Shenon of the New York Times reported from Washington: When he took command of the FBI in 1978, William H. Webster faced an agency in turmoil.

The bureau was racked by disclosures involving a range of improper activities by FBI agents, including domestic surveillance campaigns, illegal wiretaps and "back bag" jobs directed at radical and civil rights groups.

In the nine years since his arrival in Washington, Mr. Webster, a former federal judge from St. Louis, is seen as having largely restored the reputation of the FBI, pulling the bureau into the modern era of law enforcement.

Mr. Webster has a reputation for

predecessor, Mr. Hoover, largely ignored.

The bureau also moved into an era of high-technology crime solving. Under Mr. Webster, wiretaps and other electronic surveillance have been used more than ever before, even though the strategy has brought extensive criticism.

At the same time, the bureau has managed to eliminate its Hoover-era image as an all-white, all-male force. The bureau's roster of 9,100 special agents now includes 350 Hispanic agents, 350 blacks and 650 women.

The FBI budget has more than doubled since Mr. Webster's arrival and is expected to total \$1.2 billion this year.

"We are doing the work the American people expect of us, and we are doing it the way the Constitution demands of us," Mr. Webster said of the bureau's investigative strategy.

# AIDS: Zaireans Call Mandatory Belgian Tests 'Racist'

(Continued from Page 1)

favor AIDS screening, although many health experts question the effectiveness of such moves.

According to Paul van Stalleen, the prime minister's spokesman, Belgian government scholarships will be revoked from foreigners who carry the AIDS virus.

He said tests have shown that about 80 of the 800 foreign scholarship students in Belgium are AIDS carriers.

Nearly all of the scholarship students are from Africa, most of those from Zaire, officials say. Without a scholarship, the 80 students carrying the virus probably will have to stop their studies and leave Belgium, so the rules amount to de facto expulsions.

The new guidelines also require foreigners to take an AIDS test as part of the scholarship application process.

Those who test positive will be barred from receiving the grants, which come from the government's Office of Development and Cooperation.

"We think we should protect our own people," said Mr. van Stalleen. "We shouldn't pay others to come here and be a danger for our own people."

He described the African students as a high-risk group for spreading AIDS, which destroys the body's immunity system. He added that other restrictive measures will be considered by Belgium's center-right government.

But he refused to say what those measures might consist of.

The situation in Belgium illustrates several aspects of the AIDS quandary, especially the severe social impact that blood screening can have on the targeted group. Coming amid widespread pub-

# Naval Chief In Argentina Vows Loyalty To Alfonsín

By Shirley Christian  
New York Times Service

BUENOS AIRES — The head of the Argentine Navy has publicly pledged the navy's loyalty to the government of President Raúl Alfonsín after a week of tension over whether navy officers on active duty are to be tried for human rights abuses.

But Vice Admiral Ramón Antonio Arca, the navy chief of staff, said Tuesday that the navy would defend those accused. He also complained that the navy was being unjustly criticized by people who did not recognize the legitimacy of the military's campaign against leftist guerrillas in the 1970s.

The "epilogue" of that campaign, he declared, was the democracy under which Argentina lives today, which he said was "possible because of the defeat of those who wanted to create chaos in order to bring oppression."

At least 9,000 Argentines died and many more were tortured or imprisoned without trial in the armed forces' effort to destroy two urban guerrilla groups. As a result of those abuses, judicial proceedings were begun after the Alfonsín government took office at the end of 1983, with attention directed first at the retired generals and admirals who had led the military and government during the so-called "dirty war."

Ten top military men have been convicted, including two former presidents of Argentina.

But in December, Congress set a deadline of Feb. 22 for filing charges for abuses committed in that era, and the result was a flurry of last-minute filings by prosecutors, human rights groups and relatives of victims.

Military officials said this week that about 190 military officers were issued summonses by courts before the deadline. Several dozen are on active duty, usually with the rank of colonel or lower.

The armed forces has argued that those men, who were of lower rank during the time in question, were generally following orders and that if they exceeded orders they should be judged by the military, not civilian courts.

The first test of whether active-duty officers would, in fact, appear before the civilian courts for questioning and possible charging occurred last week in a case involving the alleged operation of a torture and detention center at the Naval Mechanics School.

The navy objected to the Federal Appeals Court only of the 19 men summoned most of the admirals' counsel had conducted a long debate and Admiral Arca had cabled all units saying the navy would respect the judiciary. At the end of the week, 15 of the 19 had been ordered held to face charges.

In a speech Tuesday on the 130th anniversary of the death of the founder of the Argentine Navy, Guillermo Brown, Admiral Arca said the navy leadership "reiterates its subordination to the nation and its authorities," but would "neither abandon nor scorn those who complied with their duty in the difficult situations created by the anti-subversive war."

Defense Minister Horacio Jaurena said the admiral's speech had been "the reaffirmation of the insertion of the navy into the democratic system" and an acceptance of "whatever the justice system determines with respect to the past."

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France	F.F.	1,400	760	420	3.85	7	F.F. 3.15	F.F. 1,147									
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Italy	Lire	350,000	190,000	106,000	960	1,800	Lire 840	Lire 305,760									
Luxembourg	L.Fr.	10,700	5,800	3,200	29	50	L.Fr. 21	L.Fr. 7,644									
Netherlands	Fl.	634	340	190	1.75	3	Fl. 1.25	Fl. 455									
Norway*	N.Kr.	1,650	900	500	4.50	8	N.Kr. 3.50	N.Kr. 1,274									
Portugal	Esc.	19,000	10,400	5,700	52	125	Esc. 73	Esc. 26,572									
Spain*	Ptas.	26,500	14,600	8,000	73	135	Ptas. 62	Ptas. 22,568									
Sweden*	S.Kr.	1,700	920	520	4.70	8	S.Kr. 3.30	S.Kr. 1,200									
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ADVERTISING SECTION

# FASHION MADE IN GERMANY



## The Export Boom

West Germany has become Europe's number-one clothing manufacturer. "The industry now registers the highest sales for garments in Europe," according to a study by the Commerzbank, the country's third largest commercial bank. Germany is also strong in exports, second only to Italy and ahead of France and Britain.

"Apparently, West German fashion is highly appreciated abroad, scoring through its superior quality, fashion-conscious creativity and punctual delivery by the manufacturers," noted the Commerzbank's report.

At the same time, Germany is Europe's top clothing importer. In 1985, the last year for which complete statistics are available, Germany imported twice as much as it sold abroad (5.7 billion deutsche marks, then worth U.S. \$1.9 billion).

Exports have been growing considerably faster than imports, however, with the Commerzbank estimating nearly 11 percent for exports in 1986 compared with only 1.6 percent for imports. New orders from foreign buyers from 1980 to 1985 soared by nearly 70 percent while domestic orders edged up by 3.3 percent.

Growth for Germany's textile industry remains modest by comparison. Production increased by only 2 percent last year, its fourth consecutive year of higher output. For this year, according to Wolf Dieter Kruse, new president of the

German national textile association (Gesamtextil), production is expected to remain at the same level as last year.

One reason for the success of German fashions on world markets is the thriving institution of fashion trade fairs, since they attract buyers from all over the world. In alphabetical order, these fairs are held in:

Berlin: The Berlin Fashion Convention (Mode-Tage) is held twice a year (next in August), with a German Designer Show and a Berlin Show featuring local firms, designers and avant-garde. The Berlin Durchreise, a mobile fashion fair that dates back 150 years, appears in its home city (March 22-24 and Sept. 20-22 this year) and other cities (last year in Amsterdam and Bonn).

Cologne: KölnMesse stages the International Men's Fashion Week/Inter Jeans Sportswear, Young Fashions (Aug. 21-23) and It's Cologne, International Trends Show (July 15-16). Some 900 suppliers from

30 countries were expected at February's International Men's Fashions/Inter-Jeans.

Düsseldorf: Said to be the world's largest fashion fair, IGEDO is made up of three trade fairs per fashion season, each with from 500 to more than 2,000 exhibitors. The main fair is held this year March 8-12 and Sept. 6-10. Collections Premieres provides a first look and orders for coming trends (Aug. 2-4) while IGEDO Dessous presents underwear and swimwear (March 8-11 and Sept. 6-9) during the main fair. IGEDO New Look features new merchandise for the following season and reordering for current styles (April 26-27 and Oct. 18-19).

Munich: For details, see special story on Fashion Week (Mode Woche) in this section.

German fashion houses often do not sound German. This is the case with Mondri, the M in the MBS Group, based in Munich. Its sporty, feminine products may be found in ex-

clusive stores in many countries. Mondri, which also features a complete range of accessories compatible in color and style, is putting the accent on "feminine" in its spring-summer collections this year. Its designers have adopted a narrow silhouette reflecting the close-to-the-body trend and have also been influenced by the movie "Out of Africa" to produce a re-creation of 1920s British colonial style with white, gold and sand colors.

Escada, also based in Munich and sold through luxurious stores and boutiques internationally, gives a high priority to design, priding itself on creating global fashions that appeal to all markets. The product range includes linens, dresses, leather clothing and coordinates (in which Escada is a leader) as well as shoes and accessories. The firm has three labels: Escada by Margaretha Ley, the top of the line; Laurel, the coordinates collection for successful career women; and

Crisca, international avant-garde style for extroverted women. Escada also has more than 20 of its own shops in Europe, North America and Asia.

A German clothing industry leader is Klaus Steilmann (pronounced style-man) GmbH & Co. KG, located in Bochum-Warrenscheid, in the Ruhr industrial region. Now in its 29th business year, the company has

had almost uninterrupted growth despite changing fashions and the pressure of cheap imports. Steilmann has seen the popelin coat, a "pillar" of the company, plunge in popularity but almost simultaneously profit from the new demand for woolen coats. In addition to its women's range, the company is a market leader in girl's clothes and has a growing men's line, with a subsidiary, DressMaster,

that is one of Germany's top ten in men's wear.

For spring and summer this year, the firm's Gigi line incorporates the "Out of Africa" influence with a linen and cotton safari dress as well as a summer dress in Caribbean colors. In contrast, it offers an all-black dress that tapers down to the knees with a sailor collar and an all-white cotton dress with a V neck.

## Lilo Fink, the Darmstadt Dynamo

If the summer collection of Gertrud's Fink Modelle GmbH is any indication, the dress, that most feminine of all apparel, is returning to high favor.

This was already apparent in Fink's spring collection, and will be emphasized in the summer, when dresses are much in demand in any case. Varieties of linen and cotton, cool even in the hottest weather, predominate as materials. The skirts are both straight and full, and the blouses are short-sleeved or sleeveless. Black and white is the predominant color combination.

Fink Modelle of Darmstadt is one of three firms headed by Lilo Fink, one of the most dynamic figures of the German fashion industry. She has close business ties to Paris couturier Louis Feraud.

Each of the some 800,000 pieces produced annually with the Fink label bear the imprint of Lilo Fink, who often will alter a collection three times before it is presented and, who flies to Japan several times a year to select fabrics. Efforts like these led Capital magazine to name her Businesswoman of the Year in 1981.

Fink Modelle produces an upmarket collection and had a 1985 turnover of 223 million deutsche marks, which was



Wanna-weather Yarell pullovers.

more than half of the group's total turnover of 400 million DM. Another of her firms, Yarell GmbH & Co. KG, produces young fashions in knits and coordinates. Her third firm is Louis Feraud GmbH & Co. KG, the German branch of the Feraud operation. Yarell had a 1985 turnover of 67 million DM and the Darmstadt Feraud company 110 million.

The three main features of Fink's Yarell collection for the summer are "Savanne," "Fun and Fantasy" and "Yachting." Savanne is Fink's contribution

to the very popular safari look inspired by the film "Out of Africa." It features long, shirt-like jackets in printed fabrics. The featured colors with Yarell are various shades of brown.

More than half of the pieces produced are exported to 36 countries: The company reports that its creations can be found at Harrod's in London, at Jean Genon in Paris, Rue du Faubourg-St-Honoré and at similarly fine stores from Finland to South Africa and Curaçao to Australia.

The firm dates back to the immediate postwar period. Lilo Fink's late husband, Hugo Fink, established it in 1946, under very primitive conditions, at Jugenheim, just south of Darmstadt. By the time he died in 1975 the company had an annual turnover of 100 million DM. By 1985, ten years later, his wife had built the turnover to 400 million DM.

Though Lilo Fink's very personal leadership accounts for much of this, a role has also been played by full utilization of the technical opportunities available to the industry. Electronic equipment is used in everything from cutting fabrics to the shipping operations. And the company's procurement and production concepts are just as international as its business.

## Munich in the Limelight

More than 2,200 exhibitors from 30 countries are expected to present 7,000 collections at the 55th Munich Fashion Week/International Fashion Fair (Mode-Woche-München). The latest creations by some of the world's leading designers will be shown at the fairgrounds overlooking Theresienwiese, site of the famous Oktoberfest, as well as in Munich's fashion houses, hotels and show rooms. The trade-only fair will be held from March 29 to April 1.

Austria continues to be the most strongly represented foreign country among exhibitors, followed by Italy, France and

Switzerland. For the first time, the Munich Fashion Week will include exhibitors from Chile and Egypt.

Headed by Dr. Karl-Dieter Demisch, the Munich Fashion Week ranks as one of the largest women's outerwear fashion fairs in Europe.

The 55th Fashion Week will have a grand opening when Paris designer Claude Montana presents his complete autumn-winter 1987/88 collection. One of the most influential designers in today's international fashion scene, Montana is the winner of the Fashion Award of the City of Munich for 1987. The award was introduced in 1965 and in recent years has been bestowed on such outstanding personalities as Oscar de la Renta, Jil Sander and, last year, Gianni Versace.

As a prelude to the fair, the Munich Fashion Week organization hosts special, by-invitation-only fashion shows on two consecutive days, March 26 and 27, in the splendor of the Emperor's Hall (Kaisersaal) in the former royal residence in the



Dr. Karl-Dieter Demisch

heart of the city. On two afternoons, internationally famous German designers will parade their creations. The designers are Daniela Bechtolf, Barbara Bernstorff, Reimer Clausen, Beatrice Hympehdahl, Wolfgang Joop (who writes his name with an exclamation point), Uta Raasch, Manfred Schneider, Dietrich Seeler and Jürgen Weiss.

The Fashion Week program will include the now-traditional presentation by the Berlin Club of Avant-Garde Fashion and an International Fashion Day featuring Austria. For the first time at a Munich Fashion Week, visitors will have more flexibility in their scheduling

because they will be able to choose from six opportunities to see the Leather Show, nine for the Trend Show and 11 for the Traditional Costumes (Folkwear) Show.

Also at the 55th Fashion Week will be 12 official groups representing various countries and a visit by a group of buyers from 50 British firms. (Special group travel arrangements can be made for buyers from outside Germany). At the 54th Fashion Week last October, a record 50,000 buyers from some 50 countries visited the fair and its 110 fashion shows. The Madame magazine Fashion Show, now also a traditional part of the Munich fair, will be presented this time by Mila Schön from Milan.

In addition to the Munich Fashion Week held each year in spring and autumn, there is also the fashion-start-münchen put on twice a year for textiles. A fashion-start-münchen was held last month and the next is scheduled for August 23 to 25 (a change from the previously announced August 28 to 30).

**MODE WOCHE MÜNCHEN**  
MARCH 29 TO APRIL 1 1987

**DEUTSCHE DESIGNER DEFILÉES**  
IN DER KÖNIGLICHEN RESIDENZ ZU MÜNCHEN

DANIELA BECHTOLF  
BARBARA BERNSTORFF  
REIMER CLAUSSEN  
BEATRICE HYMPENDAHN  
WOLFGANG JOOP  
UTA RAASCH  
MANFRED SCHNEIDER  
DIETRICH SEELER  
JÜRGEN WEISS

SPONSORIED BY  
KÖNIGLICHE LANDESBANK, DAMMELPÖRTEL, K&S FASHIONS, HUGO BOSS

MODE



## The Pabst Design Duo

Her secret of success, says Sandra Pabst, is "talent and hard work." She and her husband Gerhard have become a successful Berlin fashion-world couple with an ideal combination of creativity and commerce. At the Gerhard Pabst Group, one of Berlin's largest fashion houses, she is the creative dynamo and he is "the boss of the whole thing."

From the firm's home base on Berlin's busy and historical Kurfürstendamm, the Gerhard Pabst Group exports almost half of its production. While buyers from the United States and Canada love to drop in personally, the Pabsts also maintain a New York sales of-



Effort to maintain an edge in the highly competitive U.S. market.

The Pabst company has expanded from a maker of ready-to-wear jersey dresses in the 1950s to add younger and more high-fashion lines. The three brand names include CM/Creation Mademoiselle and Catarina by Sandra Pabst, with which the company achieved total sales of more than 60 million deutsche marks in 1985. Creations Mademoiselle, which

Pabst has been making for 30 years, emphasizes the latest trends in styling and colors and appeals to the young woman who wants the latest for the current season. Catarina by Sandra Pabst, added as a boutique line in the mid-1970s, is for the woman who wants quality. She, too, likes clothes that reflect the fashion trends but she is not interested in wearing the experimental. She seeks styling that will outlast the changes of many seasons.

Sandra Pabst, introduced a few years ago, is the name of the firm's exclusive collection designed by the woman whose name it bears. The highlights of this collection are cocktail and evening dresses, using expensive fabrics and exclusive prints. This line is sold at exclusive retailers in Europe and the United States.

Gerhard Pabst was born into the rag trade. The son of a clothing manufacturer, he was trained as a textile engineer and in 1953 went to Berlin to open his own ready-to-wear business on Kurfürstendamm. Sandra, who at 14 made money as a Kurfürstendamm sidewalk artist in order to be able to buy her first Cacharel sweater, began her career as a tailoring apprentice at 17 and completed her training three years later as the best in Berlin.

Two years later, she joined Pabst's firm as a designer. She still designs the Pabst collections, working at the Kurfürstendamm location, in her country-style house in Grunewald, only five minutes away and on vacations, where she says she gets her best ideas.

As if being a designer, mother and homemaker weren't



'Catarina' by Sandra Pabst.

enough, Sandra Pabst says she would like another career, as an architect. She did, in fact, help design the Pabst vacation home in Ibiza. "I find that everyone should have two professions in order to remain continuously mentally regenerated," she has said.

The Pabsts travel widely in search of new materials and for new ideas. They also derive inspiration from creative people in other fields, such as in movies and music. Once asked how she would manage to get her collections ready in time, Sandra replied: "With much concentrated hard work — and a lot of loud music."

No doubt thinking of her own career, she has posited: "In the men's world in which we live, it will certainly not be easy but women will show their ability to make their way in such fields as fashion design, pictorial art, theater, medicine, press and so on." And their clothing-buying habits will change accordingly, she added.

Hucke G...  
Gallus: Fa...  
INTERNATION...  
MEN...  
HUCKE GRO...  
AMSTERDAM...  
MUNICH...  
MADRID...  
LONDON...  
PARIS...

هكاهمن الأصيل



# Hucke Group Cuts into World Market



Sportswear (Coordinate), John Slim and Bergerie de Cania.

A full range of outerwear for boys and girls is also produced. The brand names for girls' clothes are Königsmühle, Mikimoto and Follow me. For boys, the clothes bear the names of Overdress by Overmeyer, Robinson and U.S.O.

New from the Hucke Group's women's wear for autumn/winter 1986/87 is the Pierre Castelle collection of fashionable, sporty dresses. A quality product at popular prices, this collection is made in sizes up to 46 (U.S. equivalent: 16) and sold in Germany and abroad.

The company explains that the Pierre Castelle collection was launched because of the strong increase in recent seasons of fashionable dresses with a sporty flair, a trend found not only in the United States. For such a line to be successful, it must really reflect the new ideas in fashions and also have an attractive price, the company said.

"Those who are quick and rich in ideas have a future on the fashion market," noted Hucke.

Hucke was encouraged to launch its Pierre Castelle line by the success of its Aventura collection, which was introduced last spring and summer. Customers reacted favorably and sales for the first year are expected to reach an impressive 10 million DM (\$5.4 million). The Aventura collection consists of coats, jackets, blazers, dresses, skirts, trousers, blouses, knitwear and T-shirts. They are designed for the young, fashion-conscious career woman but not at out-of-reach prices.



Childrenswear and menswear by Hucke.

ed States. The company is now only in its third season on the U.S. market.

Supporting Hucke's sales is a network of sales offices in all German and foreign fashion centers, the latest in New York. Hucke also has subsidiaries in Paris, London, Zurich, Vienna and Hong Kong.

The parent company is the Erwin Hucke oHG in Lübbecke (Nettelstedt), a small town near Minden in the state of North Rhine-Westphalia. The Hucke Group has a total of 2,150 employees.

For women, Hucke makes coats, jackets, blazers, suits, trousers, dresses, skirts and knitwear under the brand names of Hucke, Ravens, Aventura and Frank Eden.

The men's division turns out sportswear, trousers, casual jackets, blouses, pullovers, shirts and sweatshirts. Brand names for these products are Sportline, Investment, JS-

The Hucke Group, Germany's second largest clothing manufacturer, has been increasing its presence on international markets. In the latest completed business year (through April 1986), exports rose by 11.2 percent to 130 million deutsche marks (now about U.S. \$70.2 million) out of total sales of 431 million DM (\$234 million). Export growth has been especially welcome at a time of stagnation for group sales (af-

ter 8 percent growth in the previous business year).

Hucke should be able to avoid the full impact of the falling dollar that sends up German export prices because its main foreign markets are in Europe: the Netherlands, Belgium, Luxembourg, Britain, Ireland, France, Denmark, Sweden, Norway, Finland, Austria, Switzerland and Spain. Overseas, Hucke has enjoyed strong growth in Canada and the Uni-

# Gallus: Fashion by the Foot

A recent marketing research study in West Germany showed that the Gallus brand of quality men's shoes had the highest recognition factor.

The company attributes this to a product range that is well geared to demand and to its support of dealers through advertising and the wide distribution of consumer-oriented pamphlets.

Because of measures like this, the company's marketing picture within Germany is at variance with that of the industry as a whole. Its domestic sales are on the increase and the emphasis is on more, not less, quality. Gallus' Liberty line of shoes are especially noted for their handwork.

The Gallus group, with a turnover of more than 120 million deutsche marks in 1985, is made up of three independent companies: H. Vogels GmbH & Co. KG of Viersen/Dülken, Germany; Gallus Herrenschuhfabrik Peter und Bernd Vogels of Wolfsberg, Austria; and Gallus France S.A.R.L. of Oderen-Fellingier, Alsace, France.

The German company traces its history back more than a century. It was in 1880 that founder Heinrich Vogels converted his cobbler's shop into a "mechanical" shoe factory at Mönchengladbach (then called München-Gladbach) just to the south of Viersen. The company has been in the family ever since, and the present directors, Peter and Bernd Vogels, are Heinrich's great-grandsons. The year 1938 was a big one

for the firm. It was then that it left the Mönchengladbach plant, which had become very cramped, for more spacious quarters in Dülken. It was also in 1938 that the brand name Gallus, which was to make the company famous, was adopted. At around this time, too, the company began using a rooster as a trademark, though it originally looked much different from the one used today.

The German company, which produces just under a million pairs of shoes a year, had a 1985 turnover of 65 million deutsche marks, up from 60 million the previous year. It employs 330 persons and has 18 training jobs in the business and production departments.

The Austrian company was established in 1970 to provide a foothold in the European Free Trade Area. An existing factory was taken over as the first production facility, but it soon became too cramped and a new plant was built at Wolfsberg, in Carinthia. The Austrian company produced more than a million pairs of shoes in 1985 and now accounts for a third of all Austrian men's shoe production. Turnover in 1985 was 55 million DM, up 10 percent from the previous year.

The Austrian company is legally independent of the German one, but the two work together in the fields of product policy, advertising and technological development.

Gallus established a plant in Iran in 1973, but recognized the impending problems early and pulled out two years later.

Gallus works out of Germany, Austria and France.



The French company was established in 1979 as a supplier for the German and Austrian companies and to give Gallus a presence in France.

The German company sells its products primarily on the

home market, though there are sales to other European Community countries. The Austrian company exports mainly to Switzerland, Great Britain and the Scandinavian countries.

The 'Fashion' supplement was written by Tom and Clotilde Lucy.



Fashion and fragrance by Caren Pflieger.

# The Golden Threads of Caren Pflieger

On April 8, the German designer Caren Pflieger will receive the Fil d'Or award presented by the Confédération Internationale de Line in cooperation with the European Community in Brussels. Also receiving the award at ceremonies in Monte Carlo will be Italian, French and U.S. designers.

This is the third time Pflieger has won the Fil d'Or. She also received it in 1983 and in 1985. Winning the Fil d'Or puts her in the company of such internationally famous designers as Gianni Versace of Italy, Claude Montana of France, Jean-Charles de Castelbajac, with whom Pflieger worked before starting her own business, and fellow countrywoman Jill Sander.

The day before the Monte Carlo gala, Pflieger will have the occasion for another, but more private celebration — her birthday. Born in the closing days of World War II in the Ruhr mining and iron works town of Oberhausen, near Essen, she started her career wearing fashionable clothes instead of designing them. In the early 1960s, she worked as a fashion and photo model in Germany and other European countries, with her pictures appearing in leading European fashion magazines. In 1966, she took her career to New York, where she was photographed for fashion and cosmetics ads in Vogue and Harper's Bazaar. Meanwhile, she also became interested in art — among her acquaintances at the time was Salvador Dali — and sat in on classes at the New York Academy of Art.

The end of the 1960's was also the end of her New York stay. She returned to Europe, married lawyer Dr. Horst Pflieger and settled in Munich. A year after the birth of a daughter, Eva-Marie in 1972, Pflieger plunged back into the art scene, this time with her own gallery for 20th-century modern art. In 1974, she relocated to Cologne, a city that has since been called the art gallery capital of Germany.

From 1977, however, she was back in the fashion world, as the general agent for Givenchy and Castelbajac in Germany and neighboring countries as well as serving as a design consultant. In 1979, she started her own Caren Pflieger Design Collection, and the following year, her own company. In 1982, she launched two ready-to-wear lines, Caren Pflieger Knitwear and Caren Pflieger T-Shirts, and opened her first Caren Pflieger Exclusiv Boutique on Berlin's shopping and restaurant avenue, Kurfür-

standamm. At the same time, she severed her connections with other designers as a sales agent to concentrate on her own label.

Recognition came the following year in her first Fil d'Or award.

Pflieger expanded into new areas. She launched shoe and other leather products collections under her own name as well as a ready-to-wear knitwear line, started to provide design and styling for a leading Paris fashion house and was named a lecturer at the Academy for Design in Pforzheim.

Last year, Caren Pflieger moved into a new product area

with the introduction of a perfume and cosmetics line bearing her name. The new fragrance, produced by Premier Cosmetics, the German subsidiary of the French cosmetics company Sanofi Beauté, was targeted at the same kind of woman as the designer's fashions. Pflieger described her as "the new kind of woman for which I have made fashions for years: modern, athletic, cool, sensitive, feminine and successful."

Successful may also be used to describe the Caren Pflieger line, which in the autumn will be expanded with the introduction of a second fragrance.

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# Three lines by Pabst



creation markmischelle

catarina SANDRA PABST

SANDRA PABST

Berlin Fashion - the European Style

Fashion Fairs:  
Düsseldorf  
8.3.-12.3.87, IGEDO Düsseldorf  
Hall 12  
Stand 12 D 20-12 E 25/CM  
Hall 12  
Stand 12 D 40-12 E 30/CATARINA

Munich  
29.3.-1.4.87, ModeWoche München  
Hall 24, Stand 24 231/CM  
Hall 24, Stand 24 219/CATARINA

Offices:  
Amsterdam, Barcelona,  
Brussels, London, Vienna, Zurich

Gerhard Pabst GmbH & Co. KG  
Kurfürstendamm 67, 1000 Berlin 15  
Tel.: Germany 030/884107-0  
Tele.: 184 830

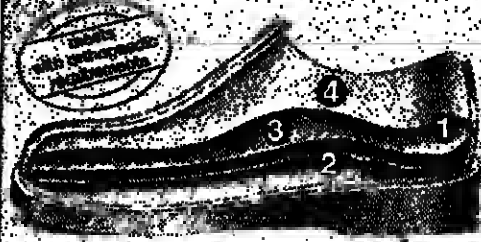
# Freedom for the feet -

# GALLUS Liberty

1 Liberty-heel cup gives good grip and is impact absorbing 2 Liberty-full foot bed supporting and preventing overcorrection

3 Leather insole full length leather insole

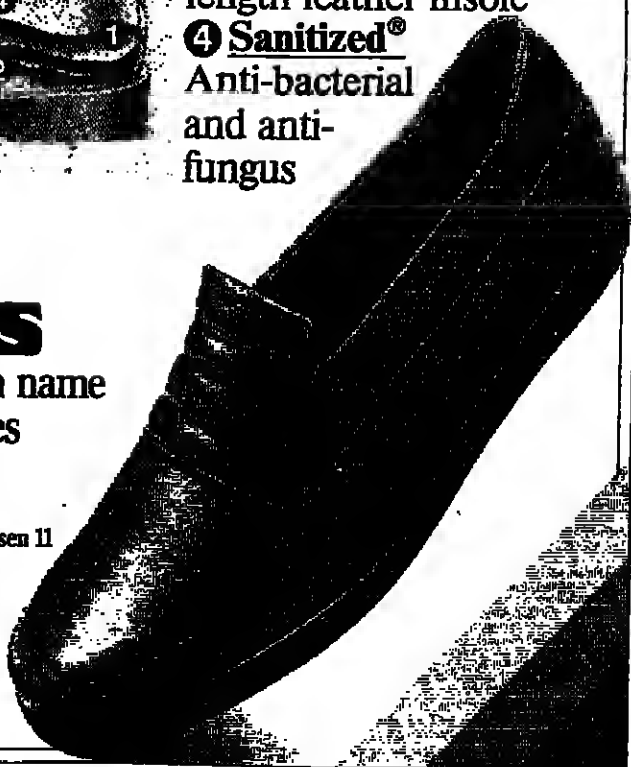
4 Sanitized® Anti-bacterial and anti-fungus



GALLUS The great European name for men's shoes

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GALLUS Men's Shoes  
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Verkaufsdirektion Wien  
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INTERNATIONAL FASHION FOR



HUCKE GROUP GERMANY  
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LONDON · AMSTERDAM · STOCKHOLM · COPENHAGEN  
VIENNA · MADRID · ZÜRICH · N. YORK · TORONTO · DALLAS



NYSE Most Actives table with columns for Volume, High, Low, Last, and Change. Lists top trading stocks like GM, AT&T, and USX.

Market Sales table showing NYSE 3 p.m. volume, NYSE adv. volume, and NYSE adv. volume.

NYSE Index table showing Composite, Industrials, and Finance indices with previous and today's closing values.

Wednesday's NYSE Closing logo with 'Via The Associated Press' text.

AMEX Diary table listing Advanced, Declined, and Unchanged stocks on the AMEX.

NASDAQ Index table showing Composite, Industrials, and Finance indices for the NASDAQ market.

AMEX Most Actives table listing top trading stocks on the AMEX.

Dow Jones Bond Averages table showing yields for various bond categories like Government, Corporate, and Municipal.

NYSE Diary table listing advanced, declined, and unchanged stocks on the NYSE.

Odd-Lot Trading in N.Y. table showing buy and sell orders for various stocks.

Dow Jones Averages table showing the closing values for the Dow Jones Industrial, Utility, and Transportation averages.

Standard & Poor's Index table showing the closing values for the S&P 500 and various industry indices.

Previous NASDAQ Diary table listing advanced, declined, and unchanged stocks from the previous day.

AMEX Stock Index table showing the closing values for the AMEX stock index and various industry indices.

Large table of stock prices for various companies, including GM, AT&T, and USX, with columns for price, volume, and change.

NYSE Rallies in Late Trading

United Press International
NEW YORK — Most prices on the New York Stock Exchange were sharply higher late Wednesday as news of a stock buyback plan by General Motors Corp. and a rising bond market encouraged investors to buy auto, technology, oil and drug issues.
The Dow Jones industrial average, which rose 6.05 Tuesday, was up 29.39 to 2,355.91 at 3 P.M.

Although most U.S. stock market tables in this edition are from the 4 P.M. close in New York, for time reasons, this article is based on the market at 3 P.M.

Advancing issues led declining ones by a 2-1 ratio. Volume at 3 P.M. was about 166.64 million shares, up from 125.37 million in the same period Tuesday.

Prices were higher in active trading of American Stock Exchange issues.

Some traders attributed buyers' renewed confidence to GM's announcement late Tuesday that it would buy back up to 20 percent of its common stock by 1990. But Michael Metz, an investment strategist at Oppenheimer & Co., said that Wednesday's rally was foreshadowed by Tuesday's trading, which was marked by light volume and a dearth of sellers.

"There was no pressure on the market Tuesday and there were a lot of buyers waiting impatiently in the wings," Mr. Metz said.

He said that buyers were encouraged Wednesday by the GM buyback and a bond market rally. But he said that the lure of a rising stock market, the absence of attractive invest-

ment alternatives and excessive liquidity in the worldwide monetary system were the real forces driving stock prices higher.

"The players are euphoric. Program buying is involved, and it's up and away," Mr. Metz said.

White House Press Secretary F. R. Lapham said the Tower Commission report on the Iran-contra affair in an address to the nation was cited as a reason for caution among investors early in the week, the market appeared Wednesday to be paying little attention to developments in Washington.

On the economic front, the Commerce Department reported U.S. factory orders fell 4 percent in January. Traders said investors were waiting for February employment data, due Friday, to assess the economy's prospects.

At 3 P.M., Occidental Petroleum was the most active NYSE-listed issue, posting gains. GM's stock was up 3 3/4 to 79 1/4. Its Class E stock was up 1 1/4 to 39 3/4 and its Class H stock was up 1/4 to 43. Ford was up 2 1/4 to 79 and Chrysler was up 1 1/4 to 50.

Among other blue chips, AT&T, USX and General Electric, Eastman Kodak and American Express were gaining.

IBM, Digital Equipment, Cray Research and Texas Instruments were advancing.

Pharmaceutical makers were very strong. Squibb, Merck, Schering Plough and Pfizer were each up more than 2 points.

Petroleum issues continued to draw strength from reports that OPEC oil production has been kept to the cartel's production ceilings.

Exxon, which jumped 1 1/2 Tuesday, was ahead: Phillips Petroleum, British Petroleum and Royal Dutch Petroleum were rising. Texaco, Chevron and Mobil were ahead.

Table of stock prices for various companies including GM, AT&T, and USX.

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Vertical advertisement on the right side of the page, including 'WALL STREET', 'A Takeover Bid To Open Close', and 'Current Interest'.

مكاتبنا في القاهرة



FROM MEDICAL SYSTEMS THURSDAY, MARCH 5, 1987

WALL STREET WATCH

A Takeover Bid Is One Way To Open Closed-End Funds

NEW YORK — Are closed-end investment companies the newest takeover prey? That is what some experts are asking after an unsolicited acquisition offer for the Japan Fund, a closed-end fund that seeks capital gains by investing in Japanese securities.

It is the unusual nature of closed-end funds — their shares typically sell at a discount to net asset value — that apparently prompted the offer from a group including T. Boone Pickens 3d, the son of the Texas entrepreneur T. Boone Pickens.

The group said Monday it owned 1.4 million of the Japan Fund's 28 million common shares, and it proposes to pay 95 percent of net asset value, or a 5 percent discount, subject to obtaining satisfactory financing.

Prospective buyers also include John S. Grace, president of Sterling Grace Capital Management Limited Partnership, and Oliver R. Grace Jr., general partner of the Anglo-American Security Fund Limited Partnership.

Closed-end funds have been reorganized or liquidated in the past, and the goal of outsiders essentially is to close the gap between net asset value, or the dollar value of a portfolio divided by the number of fund shares, and the actual market price.

The Japan Fund ended last week at a 19.7 percent discount, but the gap narrowed Monday as the stock rose \$1.625 to a 52-week high of \$17.375. The price was unchanged Tuesday, and based on a net asset value of \$19.83, the discount was 12.4 percent.

On Wall Street, the thinking is that the Grace-Pickens group, rather than wanting a takeover, would like to force the Japan Fund into becoming an open-end investment company, or mutual fund. And the betting, in the words of one professional investor in closed-end funds, is that in this case the outsiders "have less than a 50-50 chance of success."

THOMAS J. Herzfeld of South Miami, Florida, who manages nearly \$100 million for clients in assets of closed-end funds, believes that activity in closed-end funds may be heating up on another front: the single-country funds that went public last year to invest in securities of specific nations.

"Outside investors have acquired stakes of more than 5 percent each in the Italy Fund, the France Fund and the Scandinavia Fund," Mr. Herzfeld said. "Each of these funds is selling at a discount, and reorganization has to be regarded as a serious possibility. There's a chance, too, that some raider might come along and pay minority holders a premium for their shares."

But the giants of the closed-end industry, such as Tri-Continental Corp., generally are considered immune to any forced reorganization. Effective control of some funds may reside in the hands of insiders.

A closed-end company has a set number of shares that were issued in an initial offering, and its price, like that of any stock, is determined by supply and demand in the open market. Doubling in size over the past 10 years, the closed-end industry in the United States has grown to include more than 100 funds with assets worth over \$16 billion.

But this sum is dwarfed by the mutual fund industry, which saw its total assets, including those of money market funds, swell to a record \$766 billion last year.

Mutual funds are known as open-end investment companies because they stand ready to sell new shares to people who pay the net asset value plus any sales charge in the case of "load" funds. When investors sell their shares, the mutual fund redeems these at net asset value. In some cases, an "exit" fee may be tacked on.

Orders Slide 4% In U.S.

January Fall Is Biggest Since '80

WASHINGTON — Orders to U.S. factories fell 4.0 percent in January from the previous month, the largest drop in nearly seven years, the Commerce Department reported Wednesday.

The decline, which followed a revised December gain of 1.6 percent, seemed to buttress other recent reports that have suggested the U.S. economy may be faltering.

The December figure had originally been reported as a 1.2 percent increase. But many economists are playing down the latest round of figures because of distortions in economic activity caused by tax law changes at the beginning of the year.

January's figure was also skewed by a big 49.7 percent gain in the volatile defense category. Defense orders had fallen 57.7 percent in December.

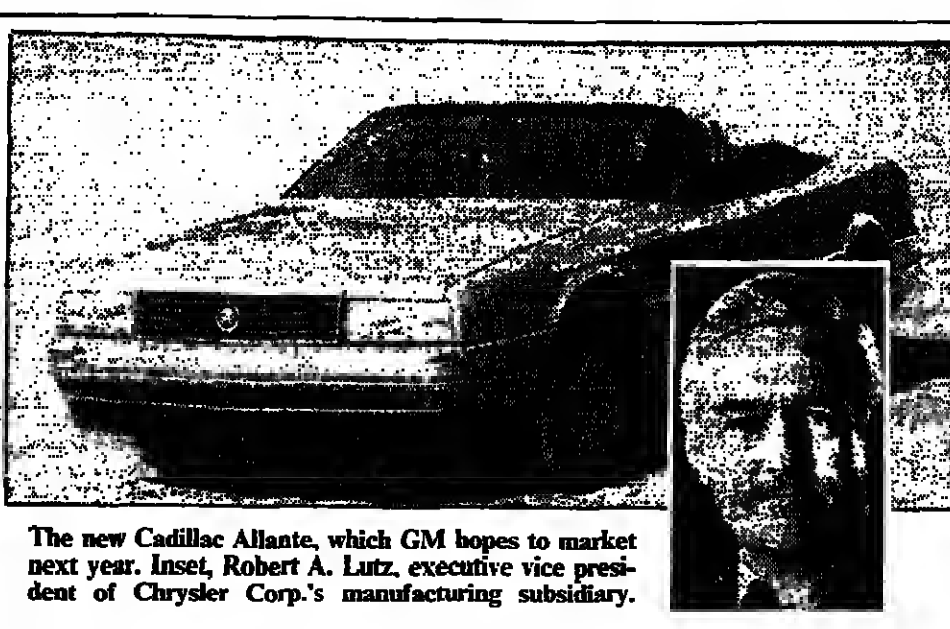
Excluding defense goods, factory orders slipped 5.2 percent in January, the department said. The decline in the overall figure was equal to \$8.2 billion. New orders totaled a seasonally adjusted \$194.5 billion in January.

The January decline was the largest since a 4.5 percent drop in May 1980. The biggest decrease, 6.7 percent, was in orders for durable goods, those expected to last at least three years.

Orders for nondurable goods edged down 0.8 percent from December, when they rose 1.7 percent. Orders for nondurable capital equipment fell 17 percent, after increasing 5.7 percent in December.

Within major industry categories, orders declines were widespread. Orders for electrical machinery fell 19.8 percent, after a 9.5 percent increase in December.

Orders for primary metals fell 17.7 percent, after a 12.1 percent December gain, and orders for transportation equipment dipped 4.5 percent, compared with a 0.6 percent decline in December.



The new Cadillac Allante, which GM hopes to market next year. Inset, Robert A. Lutz, executive vice president of Chrysler Corp.'s manufacturing subsidiary.

U.S. Automakers Retarget Europe

Detroit's Big 3 Hope to Piggyback on Weak Dollar

By Jacques Neher Special to the Herald Tribune PARIS — U.S. automakers, relying on a weak dollar and the hope that Europeans will display a taste for cars with an American personality, are preparing for another run at the congested Continental market.

Last fall, Chrysler Corp. announced that it would begin exporting U.S.-made vehicles to Europe, a market it left in 1978 when it was near bankruptcy. Since then, with the dollar in sharp descent, General Motors Corp. has developed ambitious plans of its own to increase its exports and capture a larger share of Europe's 11.6 million cars a year market.

Only a few thousand cars currently are made in North America plants for European export, all by GM. Analysts question the wisdom of GM's plans, however, arguing that the company's American-made models could end up stealing business from GM's Adam Opel subsidiary in West Germany, the linchpin of its European activities.

Ford has 41 factories in Western Europe that manufacture all of its cars sold in the continent. It is now reported to be considering exporting at least one model, the Taurus station wagon, in what it believes would be a relatively inexpensive way of filling out the Scorpio model line produced by its West German subsidiary.

Analysts say that Chrysler, with no active dealer network or product image, would have the most difficulty establishing itself in Europe. But they believe that its products will ultimately find comfortable niches there.

Chrysler executives attending the Geneva Motor Show this week said that Chrysler would start marketing four of its models in Europe later this year, and they projected sales of 5,000 units by year-end.

Robert A. Lutz, executive vice president of Chrysler's car-making subsidiary, Chrysler Motors, said last fall that the company hoped to sell 30,000 to 40,000 cars annually in Europe within five years.

With less fanfare, GM has developed plans to quadruple exports to Peugeot SA of France in 1978, starting an export program will be difficult. It sold its remaining 12.5 percent stake in Peugeot last year.

"Chrysler will probably have to piggyback on the dealer network of another manufacturer," said Stephen Reisman, an auto industry analyst with the London-based brokerage Phillips & Drew. To develop an exclusive network selling and servicing Chrysler cars alone would take years, he said.

And although many Europeans may be familiar with Chrysler because of the company's near collapse and subsequent turnaround, observers say that the automaker will have to struggle to re-establish its name in the consumer's mind.

"To start up with a fresh sheet of paper in a congested market is very difficult," Mr. Reisman said. "It's phenomenally expensive to build up credibility."

U.S. Chipmakers Pool Research To Match Japan

WASHINGTON — The United States' largest makers of computer chips and semiconductor manufacturing equipment agreed Wednesday to create a company aimed at improving domestic competitiveness in the face of Japanese domination of this key industry.

Japan has grabbed the lead in many categories of semiconductors from the United States, a development that has "awesome" implications for national security, a Pentagon task force said last month. Chips are used in computers and military equipment as well as consumer products.

The new company, Sematech, standing for Semiconductor Manufacturing Technology, would be formed under the auspices of the Semiconductor Industry Association, primarily as a research company.

"Making and selling a product is not our primary objective," said Charles E. Spork, president and chief executive officer of National Semiconductor Corp., and director of the STA task force that developed Sematech.

Mr. Spork said that Sematech's main objective is to engage in research and development projects that otherwise would have been prohibitively expensive for most individual U.S. semiconductor companies. The end result of that research, Mr. Spork said, would be to help the U.S. semiconductor industry regain leadership in a field currently dominated by Japanese manufacturers.

Irwin Federman, SIA chairman, president and chief executive of Monolithic Memories Inc., said that the proposed multi-corporate research consortium is necessary because in the United States semiconductor companies essentially are "individual companies competing against nations."

However, Mr. Federman and Mr. Spork acknowledged that the SIA's unprecedented proposal, which would involve competing U.S. firms engaging in research that otherwise would be viewed as proprietary, could run into trouble from the U.S. Department of Justice and the Federal Trade Commission.

Mr. Federman said that SIA board of directors unanimously endorsed the consortium at the association's two-day meeting, which ended here Wednesday.

The model factory envisaged by the new company would serve as a U.S. proving ground for state-of-the-art equipment and manufacturing techniques that participants could then use in their own operations.

The Pentagon task force last month proposed that the Defense Department and the industry each spend \$200 million a year on a manufacturing consortium. However, the likelihood of the Pentagon or Congress going along with the recommendation is unclear.

One industry analyst, Andrew Rappaport, predicted the consortium would be torn apart by disagreements between chip makers, the Defense Department and contractors, and computer makers, each of which have different interests.

"I'm really skeptical," said Rappaport, president of the Technology Research Group, a consulting and market-research company in Boston.

Japan has taken over most of the world market for the most common kind of memory chips, known as dynamic random access memories. Some experts think the United States needs to regain equality with the Japanese in high-volume production of these powerful DRAMs in order to succeed in the chip industry as a whole.

But Mr. Rappaport said that view is obsolete. He said the future lies in specialized circuits and in the development of close working relationships between chip makers and their customers.

Currency Rates

Table with columns for City, Bid, Ask, and other currency rates.

Other Dollar Values

Table with columns for Country, Bid, Ask, and other dollar values.

Interest Rates

Table with columns for Eurocurrency Deposits, 1 month, 2 months, 3 months, 4 months, 1 year.

Asian Dollar Deposits

Table with columns for 1 month, 2 months, 3 months, 4 months, 1 year.

U.S. Money Market Funds

Table with columns for Fund Name, Yield, and other details.

Gold

Table with columns for A.M., P.M., and Gold prices.

OECD Sees Slowdown in World Financial Activity

By Carl Gewirtz International Herald Tribune PARIS — The explosion of activity in the international financial market in the past three years appears unlikely to continue, the Organization of Economic Cooperation and Development said Wednesday, adding that the market "may have entered a phase of consolidation."

The secretariat's quarterly report on financial market trends cited a number of factors that suggest a slowdown is under way. These include the limited possibility that interest rates will decline much further, and modest demand from borrowers — who either do not need new loans because world economic expansion has slowed or

Oil Prices Continue to Climb On Signs of OPEC Resolve

Compiled by Our Staff From Dispatches LONDON — Free-market oil prices rose sharply Wednesday as signs emerged that Saudi Arabia is determined to defend OPEC's \$18-a-barrel price target.

Brent crude from Britain's North Sea rose by 65 cents, to \$17.35 a barrel, on the European spot market, helping reverse declines of more than \$2 a barrel in recent weeks.

The earlier price weakness stemmed from a widespread belief that the Organization of Petroleum Exporting Countries' Dec. 20 agreement to cut production and raise oil prices would not hold, especially as peak winter demand declined.

On the New York Mercantile Exchange, West Texas intermediate — the benchmark U.S. crude for immediate delivery — rose 17 cents, to \$17.52 a barrel, at midday, off the early \$17.75 high.

Wednesday's price moves followed an explosive rally on world oil markets Tuesday that drove crude prices up nearly \$1 a barrel. The current rebound sent oil shares up in trading in New York and in London, where they helped the Financial Times 100-stock index break 2,000 for the first time.

London Share Index Breaks 2,000 Barrier

LONDON — The London Stock Exchange, boosted by a belief that Prime Minister Margaret Thatcher will win if a general election is called this year, made history Wednesday when a key share index broke through the 2,000 barrier.

The Financial Times/Stock Exchange index of 100 leading shares opened at 2,015.9, a gain of 17.6 points from Tuesday's close of 1,998.3. The index reached 2,018 points by midday before falling back to end at 2,002.7, a record close.

With a global bull market pushing share indices in many financial centers through benchmarks that once seemed unreachably, investors have been especially attracted in British shares because of the strength of the pound and forecasts of economic growth.

The FTSE breakthrough capped a sustained two-month rally in which the index, set at a base of 1,000 on January 3, 1984, has gained 341 points so far this year.

The general share index also set a record Wednesday, breaking 1,000 for the first time. It was established at 100 in April 1962.

The Tokyo stock exchange's key fourth consecutive record high Wednesday, buoyed by speculation of an imminent cut in French interest rates and a continuing wave of buying on the New York and Tokyo stock markets, according to dealers quoted by Reuters in Paris.

The CAC index rose to 442.1 at the close of trading from 438.4 Tuesday.

Advertisement for CORUM watches, featuring a large image of a watch and text: CORUM Admiral's Cup. An exclusive creation of watchmaking art. In London GARRARD The Crown Jewellers. 112 REGENT STREET LONDON W1A 2JJ TEL: 01-734 7020. And at the finest jewellers in the world. For information, write to: Corum, rue du Petit Chateau, 2300 La Chaux-de-Fonds, Switzerland.



Wednesday's NISE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

17 Month High Low Close Chg

(Continued)

Table of stock prices for various companies, including columns for 17 Month High, Low, Close, and Change.

Main table of stock prices for various companies, including columns for 17 Month High, Low, Close, and Change.

U.S. Futures

Via The Associated Press

Season High Season Low Open High Low Close Chg

Food

Table of food futures prices including COFFEE, SOYBEANS, and SUGAR.

Grains

Table of grain futures prices including WHEAT and CORN.

Metals

Table of metal futures prices including COPPER and ALUMINUM.

Livestock

Table of livestock futures prices including CATTLE and PORK.

Currency Options

Table of currency option prices for various currencies.

Financial

Table of financial market data including U.S. Treasury bills and bonds.

Commodity Indexes

Table of commodity index values for various categories.

Market Guide

Table of market guide information including market status and key events.

London Commodities

Table of London commodity prices for various goods.

London Metals

Table of London metal prices for various metals.

Spot Commodities

Table of spot commodity prices for various raw materials.

U.S. Treasuries

Table of U.S. Treasury bond and bill prices.

S&P 100 Index Options

Table of S&P 100 index option prices.

DM Futures Options

Table of DM futures option prices.

DM Futures

Table of DM futures prices for various currencies.

Company Results

Table of company financial results including revenue and earnings.

NYSE High-Lows

Table of NYSE high and low prices for various stocks.

Paris Commodities

Table of Paris commodity prices for various goods.

Asian Commodities

Table of Asian commodity prices for various goods.

Singapore Gold Futures

Table of Singapore gold futures prices.

Kuala Lumpur Rubber

Table of Kuala Lumpur rubber prices.

London Metals

Table of London metal prices for various metals.

Copper Cathodes

Table of copper cathode prices.

Aluminum

Table of aluminum prices.

Lead

Table of lead prices.

Zinc

Table of zinc prices.

DM Futures Options

Table of DM futures option prices.

DM Futures

Table of DM futures prices for various currencies.

Market Guide

Table of market guide information including market status and key events.

Company Notes

Table of company news and announcements.

Share Offerings

Table of share offering information.

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Table of share offering information.

The Daily Source for International Investors.

The Global Newspaper.

Large vertical advertisement on the right edge of the page, partially cut off.



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BUSINESS ROUNDUP

GM Shares Soar on Buyback Plan

DETROIT — Shares in General Motors Corp. surged Wednesday by more than \$4, after the automotive giant's announcement of plans to buy back up to 20 percent of its common stock by the end of 1990.

purchase of stock from H. Ross Perot, the Texas billionaire and former board member who had been critical of GM management. The company said funds from the buyback would come partly from sharp cuts in capital spending, which would drop to \$7.9 billion in 1987 and \$5.8 billion in 1988, from \$10.6 billion in 1986.

Although GM's stock has climbed with the market's rally this year, it has remained far below its 12-month high of \$88.625.

GM also said that operating earnings would improve by \$10 billion by 1990, GM's operating income in 1986 was \$1.43 billion, after \$4.21 billion in 1985.

Saatchi to Raise \$61.3 Million in Share Offering

LONDON — The advertising giant Saatchi & Saatchi PLC said Wednesday that it planned to raise around \$61.3 million (\$95.7 million) through the issue of 9.74 million new shares to be distributed among European investors.

Viacom Accepts Latest National Bid

NEW YORK — Viacom International Inc. said Wednesday that it had entered into a definitive \$3.4 billion merger agreement with National Amusements Inc., its largest shareholder, ending a monthlong takeover battle for the broadcasting concern.

ITT Shares Rise On Buyback, Disposals Talk

NEW YORK — Shares of ITT Corp. climbed Wednesday after a statement by its chairman, Rand V. Araskog, that the diversified U.S. company is still considering stock repurchases and might sell some operations.

Swiss Banks Foresee End Of Boom Despite Profit Rises

ZURICH — Swiss banks made record profits in 1986 but they are warning shareholders that a five-year boom in the world economy, which has buoyed their business, may be nearly over.

A managed investment in international trade

Investing in shipping containers which are leased to major shipping lines is a profitable business. In addition to its own fleet, the Transco Group of Companies manages container leasing operations on behalf of over 2000 private investors on an international basis.



COMPANY NOTES

Grundig AG, the West German electronics group controlled by Philips NV, said it expected sales to rise 6 percent to 7 percent to over 3 billion Deutsche marks (\$1.63 billion) in 1986-87.

Bull Reports Net Profit Increased 146% in 1986

PARIS — Compagnie des Machines Bull, the French state computer group, reported Wednesday that consolidated net profit for 1986 rose 146 percent to 271 million French francs (\$45 million) from 110 million francs in 1985.

INTERNATIONAL POSITIONS

Advertisement for The Caldwell Partners International, featuring a logo and contact information for various offices including Calgary, Dusseldorf, London, Montreal, Ottawa, Toronto, Vancouver, and Zurich.

CARS: Detroit's Big 3 Seek Lasting Inroads in Europe

(Continued from first finance page) minivan. But in Europe, the cars will be known as the Chrysler series C-6, C-5, C-2 and T-1.

Servicing, Long Warranties May Be Used as Enticements

By Jacques Neher Special to the Herald Tribune PARIS — Europeans who buy American automobiles might be offered better warranties than those currently offered by European manufacturers.

Advertisement for The Search Partners International, featuring a logo and text asking 'How well do you know the Telecomms Industry?' and offering a Marketing Manager position in Europe.

Advertisement for Banking and Finance Recruitment Consultants, offering career opportunities for well-qualified individuals to join a market leader.

Advertisement for Selection & Reader's Digest, looking for a native French Editor for its Condensed Books division.







CURRENCY MARKETS

Dollar Firms on Strength of Pound

LONDON — The dollar ended slightly firmer Wednesday against most currencies in dull European trading, gaining ground against the Deutsche mark with support from a rise in the British pound.

London Dollar Rates table with columns for Currency, Wed, and Thu.

downward pressure on the dollar. The market shrugged off news of a 4.0 percent decline January in U.S. factory orders, the largest one-month decrease in orders since May 1980.

on the dollar toward the end of the week, dealers said, because the market was discounting the figures before their release. The pound's principal gains Wednesday were on a cross-rate basis. It firmed against the mark to close at 2.8735 DM, compared with Tuesday's close of 2.8635 DM.

Warner Restores Ross's Contract

NEW YORK — Steven J. Ross, who brought Warner Communications Inc. back from the brink of bankruptcy after its Atari video-game and home-computer division collapsed, has been given a new 10-year contract as chairman and chief executive officer.

ITALY: Craxi Adds Up Underground Economy, Calls His Country No. 5

(Continued from Page 1) maintenance sectors also were generating huge amounts of unreported income, the study found. Italy's crime economy, with an estimated annual turnover of between 10 trillion lire and 20 trillion lire, was deliberately ignored by the researchers.

Though the significance of the new numbers outside the political arena is uncertain, they provide ammunition for Mr. Craxi in the electoral battle ahead. Mr. Craxi claims that his tenure as prime minister, the longest in postwar Italian history, created an explosion of national economic well-being that has pushed Italy ahead of Britain and solidly on the road to overtaking France as the West's fourth biggest industrial power, after the United States, Japan and West Germany.

He also stressed that his agency had never attempted to make international comparisons based on its findings. "Certainly, national income levels play an important role in calculating the comparative wealth of countries," he said. "But if the only reference was to GNP and per capita income, Kuwait and the Arab Emirates would be far ahead of Italy and its industrial partners."

The discovery that it is richer than it officially thought is also having negative repercussions for Italy. One of them is that the European Community is already demanding higher contributions as a result of its increased GNP.

BRITAIN: Thatcher Primes the Country's Economic Pump for Upcoming Elections

(Continued from Page 1) contrast to other forecasts. The Paris-based Organization of Economic Cooperation and Development puts British gross domestic product growth at between 2.5 percent and 3 percent for 1987.

assert, is that the stimulation measure will overheat the economy and generate a new bout of inflation later this year. For now, overheating is being kept in check, as growth becomes more broadly based — relying less on consumer demand as it did in 1986 and more on expanding investments and exports.

inflation, chiefly because of rising wage costs. Despite a sharp drop in wage costs in the first two months of this year — to a 1.5 percent annual growth rate from an average 3 percent rate in the previous quarter — the average rate for the year is expected to reach 3 percent.

12 percent drop in the pound's value against a basket of Western currencies, between December 1985 and the beginning of March, which enhanced competitiveness of British companies. Now the pound, supported by more buoyant oil prices this week, has started to climb against both the dollar and the currencies of Britain's other major trading partners.

But optimism has begun to filter into the boardrooms of many of the nation's leading companies, both industrial and financial, where profits have climbed to record levels. "We took a helluva knock in 1980-81, but we have been climbing back ever since," said Sir John, the Imperial Chemical Industries chairman.

THE EUROMARKETS

Sterling Straights Strengthen on Active Day

LONDON — The Eurobond market was extremely busy Wednesday with nearly 20 new issues emerging in a variety of currencies, dealers said. Demand did not seem enthusiastic for the longer-dated bonds, the 7-year issue ended outside total fees. But the 3-year bond closed at a discount of about 1.30 percent, against the 1% percent fees.

Hochst Invest NV, guaranteed by Hoechst AG, issued a three-tranche agreement totaling \$500 million. The issues had 5-, 7- and 10-year maturities and were led by Dresdner Bank AG.

Hokkaido Bank Ltd. issued a 15-year convertible. The \$30 million issue also has an indicated coupon of 2 1/4 percent. Nomura International led both convertibles. The sterling straight market was firmer Wednesday, but the sector had only two new issues. American Express Overseas Credit Corp. issued a seven-year bond paying 10 percent and priced at 101 1/4.

The measure, whose effects will first be felt in May, is expected to add one-half a percentage point to already buoyant consumer spending, currently above 4 percent, and add one-quarter of a percentage point to growth to Britain's gross domestic product. That added boost from tax reduction, plus an expected 1 percentage point cut in interest rates in the next month, to 10 percent, are included in the 3 percent growth projection for the economy.

The glow in the patient's cheek may be less a sign of rude health than a sign of imminent fever.

in said, "but the glow in the patient's cheek may be less a sign of rude health than a sign of imminent fever." Productivity in Britain's manufacturing sector, a key measure of economic health, is expected to climb to a 6 percent year-on-year growth rate in the first quarter from average annual rates of 3.5 percent in the first half of the decade and less than 1 percent in the 1970s.

Despite a prolonged consumer-spending boom and a heavy intake of foreign manufactured goods, Britain managed to contain retail price inflation in 1986 to an average yearly rise of 3.4 percent, down

revival. According to analysts at the London Business School, unemployment in Britain will not fall below 3 million until 1990. In January, the jobless total was 3.12 million seasonally adjusted, compared with an average 1.3 million in 1979 — the year Mrs. Thatcher became prime minister.

to what extent Mrs. Thatcher can take credit for the economic mini-boom is not certain. The economy benefited last year from a

Wednesday's OTC Prices NASDAQ Prices as of 3 p.m. New York Time. Via The Associated Press.

Table A: 12 Month High Low Stock Div. Yld. % High Low 3 P.A. C/P

Table B: 12 Month High Low Stock Div. Yld. % High Low 3 P.A. C/P

Table C: 12 Month High Low Stock Div. Yld. % High Low 3 P.A. C/P

Table D: 12 Month High Low Stock Div. Yld. % High Low 3 P.A. C/P

Table E: 12 Month High Low Stock Div. Yld. % High Low 3 P.A. C/P

Table F: 12 Month High Low Stock Div. Yld. % High Low 3 P.A. C/P

Table G: 12 Month High Low Stock Div. Yld. % High Low 3 P.A. C/P

Table H: 12 Month High Low Stock Div. Yld. % High Low 3 P.A. C/P

Table I: 12 Month High Low Stock Div. Yld. % High Low 3 P.A. C/P

Table J: 12 Month High Low Stock Div. Yld. % High Low 3 P.A. C/P

Table K: 12 Month High Low Stock Div. Yld. % High Low 3 P.A. C/P

Table L: 12 Month High Low Stock Div. Yld. % High Low 3 P.A. C/P

Table M: 12 Month High Low Stock Div. Yld. % High Low 3 P.A. C/P

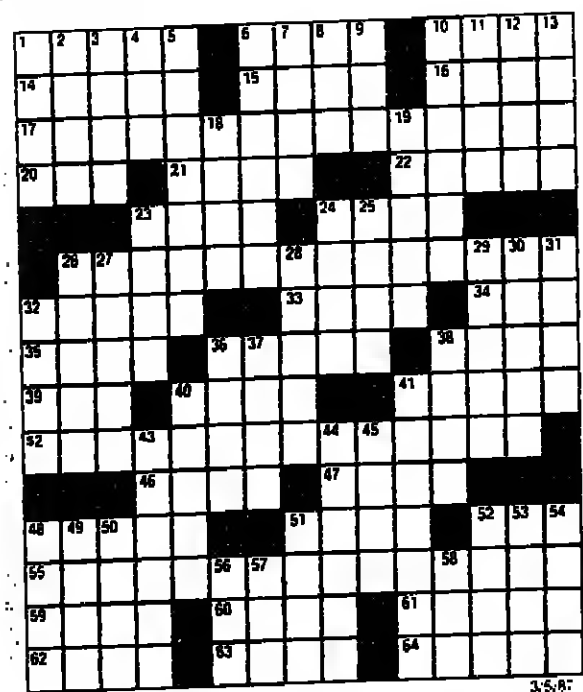
Table N: 12 Month High Low Stock Div. Yld. % High Low 3 P.A. C/P

Table O: 12 Month High Low Stock Div. Yld. % High Low 3 P.A. C/P

Table P: 12 Month High Low Stock Div. Yld. % High Low 3 P.A. C/P

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual distributions based on the latest trading day.





ACROSS
1 Beersheba's locale
6 Behold, to
10 Pariah
14 "A robin redbreast in..." Blake
15 "If..." My Way, 1913 song
16 Bugbear
17 Parkman's Italian cookbook?
20 Sun
21 Road; Ger.
22 Pass on
23 Forfeit or forfeited
24 Large rantes
25 Escrows hot-dog garnish?
32 Le...
33 First Earl of Chatham
34 Route
35 Black birds
36 Thrash
37 Middleweight champ; 1841-47
39 Trp. member
40 Up — good
41 Feeling ennuil
42 Busy chef's ironic lament?
46 Bone: Comb. form

PEANUTS



BLONDIE



BEEBLE BAILEY



ANDY CAPP



WIZARD of ID



DENNIS THE MENACE



"DOGS DON'T MESS WITH HIM CAUSE HE'S GOT SHARP FEET."

JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.
LOFOR
HOWSY
RANTIM
DORPAN

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here: [ ]

Answers tomorrow

Yesterday's: What you might see at a planetarium — AN ALL-STAR SHOW

WEATHER

Table with weather forecasts for Europe, North America, Middle East, Oceania, and Thursday's forecast.

World Stock Markets

Table showing stock market data for various regions including Amsterdam, London, Hong Kong, Paris, Sydney, Zurich, Tokyo, Frankfurt, and Johannesburg.

BOOKS

PRESCRIPTION FOR DISASTER
By Joseph J. Trento, with reporting and editing by Susan B. Trento. 312 pages. \$18.95. Crown Publishers Inc., 1 Park Avenue, New York, N. Y. 10016.
CHALLENGER: A Major Malfunction
By Malcolm McConnell. 269 pages. \$17.95. Doubleday, 245 Park Avenue, New York, N. Y. 10167.
I TOUCH THE FUTURE...
The Story of Christa McAuliffe
By Robert T. Hohler. 262 pages. \$16.95. Random House, 201 East 50th Street, New York, N. Y. 10022.
Reviewed by Michael Isikoff

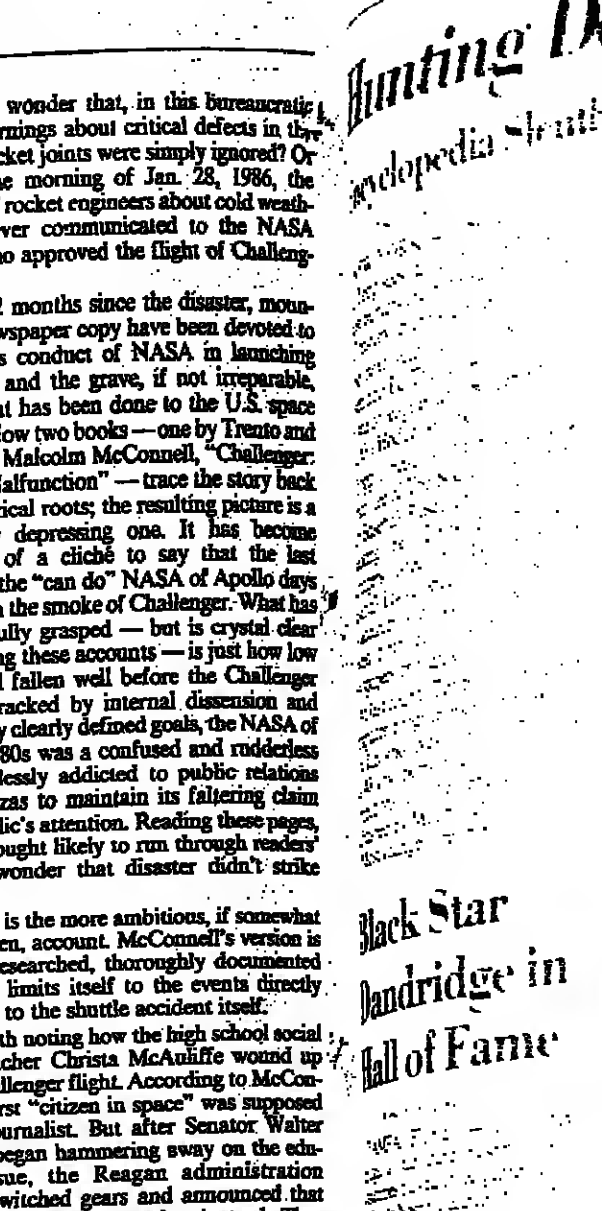
At the start of 1986, the National Aeronautics and Space Administration was about to enter one of the most critical periods in the history of the U.S. space program...

Michael Isikoff is on the staff of The Washington Post.

BRIDGE

PLAYERS who elect to play in six no-trump, rejecting a 5-3 fit in a major suit, usually do it for match-point reasons...

Table with bridge-related information including North, South, East, West, and various card symbols.



McAuliffe was a bubbly, irrepressible personality who, during her brief flight in the public limelight, managed to rekindle much public enthusiasm for the space program.

West led the heart eight.

KOREBOARD

Table with Korean board game information including Seoul, Busan, and various board game titles.

مكتبة الأحرار



هكنا من التحليل

SPORTS

Hunting Down Baseball History

Encyclopedia Sleuths Find That Roger Maris Didn't Exist

NEW YORK — The way Richard Topp sees it, he and his band of ghost hunters are not rewriting baseball history, merely correcting it. So next year, Lou Proctor, Al Olsen and Ed Thayer will be out on the major leagues and Roger Maris and Gil Hodges will be in.

Roger Maris, according to his birth certificate, was actually Roger Eugene Marras. And he was born in Hibbing, Minnesota, not in Fargo, North Dakota, which "should upset the people at the North Dakota Hall of Fame," Topp said.

Black Star Dandridge in Hall of Fame

TAMPA, Florida — Ray Dandridge, a star third baseman who sometimes played three games a day in the old Negro Leagues but never made the major leagues, was elected Tuesday to baseball's Hall of Fame by the Committee on Veterans.



Ray Dandridge

He will be inducted into the Hall of Fame at Cooperstown, New York, on July 26 with Catfish Hunter and Billy Williams, who were elected last month in the annual voting by the U.S. baseball writers.

ella said. "He could field with Brooks Robinson. He was batted and they called him Squatty. But what a third baseman he was."

Another change: Jake and Chick Stahl, often considered the answer to the trivia question of who were the first brothers to manage against each other, were out brothers.

"I have 11 birth dates for Satchel Paige," Topp said of the legendary pitcher, who liked to confound those who wanted to know his age. Satchel came from a family of about 16, and said his mother wrote down all the birth dates in a Bible, but a goat ate it. If we could find one of his brothers or sisters, maybe we could pin it down.

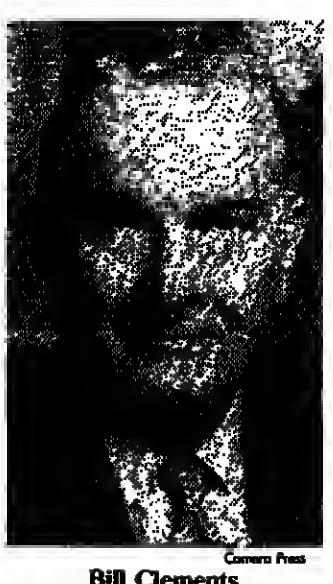


Yannick Noah rallied for a 4-6, 6-2, 7-3, 7-6 (7-0) defeat of Johan Kriek in the International Players Championships.

Texas Governor Says He, Others Continued Illicit SMU Payments

Compiled by Our Staff From Dispatches

DALLAS — Governor Bill Clements of Texas said Tuesday that he and other members of Southern Methodist University's board of governors in 1985 decided that illicit payments to SMU football players would continue.



Bill Clements

"We — with a capital we — we made a considered judgment over several months," the governor said, "that commitments had been made and in the interest of the institution, the boys, their families and to comply with the NCAA, that the program would be phased out and that we would comply in a full sense of integrity to all the rules and regulations."

Clements' revelation sent shock waves through a university still reeling from the National Collegiate Athletic Association's decision last week to ban football at SMU next fall because of the illicit payments, which came to light last November. Within hours, senior SMU administrators issued a statement saying they "deplored" the decision to continue the payments and called on board members who participated in the decision to resign.

Russ Potts. Both later denied any involvement, with Potts calling the allegation "absolutely ludicrous" and adding, "It's inconceivable to me that anyone would say that."

But the NCAA's enforcement director, David Berst, said that what Clements "assured us of was that the institution intended to comply with NCAA rules."

athletes, The Associated Press reported from Lubbock, Texas. Texas Tech became the third Southwest Conference school on NCAA probation. SMU was penalized last Wednesday, Texas Christian gets off probation next year.

But the NCAA report noted that Tech had never previously been involved in violations and said that those that occurred in 1982-84 were in response to "an excessively competitive environment" in the SWC.

South Carolina Punished South Carolina's men's basketball program was placed on two year's probation Tuesday for NCAA rules violations, the most serious being a "well-organized and well-executed scheme" in which players sold their complimentary tickets through members of the coaching staff.

Houston Allegations Grow Some former University of Houston football players have claimed that cash payments made by then-coach Bill Yeoman and his staff were much more than the nominal amounts Yeoman has admitted giving to some players, United Press International reported from Houston.

Documents released Monday by the school, Yeoman admitted that he occasionally gave players money, but not more than \$35. But the Houston Post newspaper reported Tuesday that several former players, who claimed they received cash payments, said the amounts totaled thousands of dollars and that starters received \$500 each season, with certain star players receiving more.

Some players got money for jewelry, wedding gifts and girlfriends' abortions, they alleged. "It wasn't no petty stuff" like \$35, said former player Lonell Phee, who estimated he received \$10,000. "Everybody knows he gave more than that. Thirty-five dollars might have been given to second-teamers or third-teamers, but he knows that starters got lots more."

Yeoman, who resigned in November after 25 years of coaching at Houston, is taking a \$100,000-a-year fund-raising job with the school, was interviewed in July by the Houston law firm of Liddell, Sapp & Zivley. A letter from Zivley said the firm was paid about \$43,000 for a three-month probe, which was ended abruptly when school regents "decided that it would be in the best interest of the institution to suspend or terminate the investigation."

A memo written by the vice chairman of the Houston Intercollegiate Athletics Council, said there also were problems in the basketball program. Frank Terry, a Baytown investor, wrote the memo to Chester Binge, then chairman of the board of regents, in January 1986.

"We are so naive if we don't admit we have also offered some illegal inducements to players," Terry wrote. "Some players are blackmailing assistants [coaches] and assistants are — at the minimum — implying the same to the head coach." The memo added: "We must decide if we want to exempt head coach from discipline if we are to correct the problem."

At that point, the memo mentioned basketball coach Guy Lewis. Lewis, who could not be reached for comment, announced his retirement Jan. 21, 1986, four days after Terry wrote to Binge.

Women Tennis Stars Seem to Be Shining Again

By Peter Alfano

KEY BISCAYNE, Florida — The storm that was brewing early in the year on the women's professional tennis tour may be passing, if the results thus far in the Lipton International Players Championships are any indication.

she has been troubled by tendinitis in her knees ever since, playing sparingly, and is planning to take a rest after this tournament. As for Evert, she recently ended a six-month vacation during which she rehabilitated her inflamed left knee. But after defeating Stephanie Rehe, 6-3, 6-2, it sounded like old times when she said, "I've had three easy matches so this one was important to me. I was concentrating well and this is the best I've played. I'm almost back to where I was before."

Of all the women, Evert is getting the closest scrutiny. At the age of 32, she has been occasional signs she is slowing down, but nothing yet to suggest she is living off her reputation. Rehe, 17, a tall, hard hitting baseliner, is attempting to become more aggressive at the net, to exploit her size, reach and power. She surprised Evert early in the first set, breaking her twice, taking a 3-0 lead, playing a serve-and-volley game.

Even lost the first three games on errors, making eight. Then she broke Rehe in the fourth game, hitting two winners on passing shots, fending her rhythm on return of serve. Rehe began to deflate. She lost the next game at love, then was broken again, also at love, as Evert moved Rehe in and out, mixing passing shots with drops and lobs. When Evert held serve at love once more to lead 4-3 — thus winning 15 consecutive points — the match had the look of a rout. She broke Rehe a third consecutive time, then closed out the set, again not allowing Rehe a point. The second set was played for the exercise.

Martina Navratilova, Chris Evert Lloyd and Hana Mandlikova all advanced handily Tuesday to the tournament's quarterfinals, with Steffi Graf gaining the semifinals. Only a month ago, such routine victories could not be taken for granted. Navratilova, for example, lost in the final of the Australian Open, ending her 36-match winning streak and dashing her hopes of winning the Grand Slam this year. In winning that tournament, Mandlikova raised expectations that this, finally, would be the year she made a concerted run at the No. 1 ranking. But

experience to tip the match back in her favor, remaining poised. Sizing up Rehe's unexpected strategy, Evert exploited her opponent's unfamiliarity with playing at the net. Even lost the first three games on errors, making eight. Then she broke Rehe in the fourth game, hitting two winners on passing shots, fending her rhythm on return of serve. Rehe began to deflate. She lost the next game at love, then was broken again, also at love, as Evert moved Rehe in and out, mixing passing shots with drops and lobs.

Den Haag Warned It Faces Penalties THE HAGUE — The Royal Dutch soccer federation Wednesday blamed FC Den Haag fans for the violence during Sunday's match against Ajax Amsterdam and warned the club that it faces fines and an order to play behind closed doors. The federation said it would revoke Den Haag's license if more violence occurred in the near future. Seventeen persons were arrested at the match and justice ministry officials said more arrests could follow after videotapes and the statements of witnesses were studied.

Den Haag also was barred Wednesday from playing its match Sunday in Alkmaar by Mayor Cornelis Rozendoom. The federation accepted the ban.

SCOREBOARD

Basketball National Basketball Association Standings. Table with columns for Eastern Conference, Western Conference, and Pacific Division, listing teams and their records.

Hockey

NHL Standings. Table with columns for WALES CONFERENCE, CAMPBELL CONFERENCE, and Pacific Division, listing teams and their records.

U.S. College Results

Table listing U.S. College Results for various sports including Basketball, Football, and Soccer, with columns for team names and scores.

Transition

Table listing Transition news for various sports including Baseball, Hockey, Tennis, and European Soccer, with columns for team names and news items.

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Great Job Isn't That Great

NEW YORK — Understandably, the Washington Capitals reveled last Friday in holding the Great Gretzky without a shot on goal. But the fact is, Edmonton's Wayne Gretzky, the National Hockey League's top goal-scorer with 54, does not average even four shots a game.

ESORTS & GUIDES

Table listing various international escort and guide services, including names like ESCORTS & GUIDES, ESCORTS & GUIDES, and ESCORTS & GUIDES, with contact information.

INTERNATIONAL ESCORT SERVICE

Table listing international escort services, including names like ESCORTS & GUIDES, ESCORTS & GUIDES, and ESCORTS & GUIDES, with contact information.

INTERNATIONAL CLASSIFIED

Table listing international classified advertisements, including names like ESCORTS & GUIDES, ESCORTS & GUIDES, and ESCORTS & GUIDES, with contact information.



